



**Mecklenburg County
Department of Internal Audit**

County Manager's Office
Travel and Expense Audit
Follow-Up Report 1923

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

Felicia Stokes, CIA, CISA, CRMA, Audit Manager
(980) 314-2893 or felicia.stokes@mecklenburgcountync.gov

**Staff
Acknowledgements**

Gewreka Robertson, 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: County Manager's Office Travel and Expense Audit Follow-Up Report 1923

The Department of Internal Audit completed a follow-up audit on reported issues from the County Manager's Office Travel and Expense Audit Report 1762 issued September 27, 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 eight recommendations in the County Manager's Office Travel and Expense Report 1762. 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Fiscal Year	Audit Report	Implemented	Open	Not Implemented¹	Withdrawn	Total Carryforward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	1762 ²	N/A				8
2019	1923	7		1		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 County Manager's Office staff are recognized and appreciated.

- c: Deputy County Manager
- Assistant County Managers
- Deputy County Attorney
- Senior County Attorney
- Board of County Commissioners
- Audit Review Committee
- Deputy County Attorney

Follow-Up Results
County Manager’s Travel and Expense Audit Report 1762

- **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	<p>Internal Audit recommends management develop and implement department-level travel and expense procedures. Procedures should include, at a minimum:</p> <ul style="list-style-type: none"> • Document retention requirements • Approval process • Frequency of procedure reviews and updates • Staff training requirements • General ledger coding • Staff roles and responsibilities <p>Train staff and elected officials accordingly.</p>	<p>The County Manager’s Office (CMO) will develop and implement department level policies and procedures for travel activities. All CMO staff will be trained on the policies and procedures. The Board of County Commissioners will be provided copies of the policies and procedures and reminded of the importance of complying with County policies and procedures.</p>	12/2018	I (2)	

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				Implementation Status	
Risk Observation	Recommendation	Management’s Risk Mitigation Strategy	Original Implementation Date	Current Status	Comments
2.1	Internal Audit recommends management ensure all expenses, including travel procurement card charges, are reflected on the TAERs and are accurate, properly supported, and comply with County policy.	The County Manager’s Office (CMO) will develop and implement department level policies and procedures for travel activities. The procedures will include information on what supporting documentation is required for each trip. All CMO staff will be trained on the policies and procedures. Management and/or their support staff will ensure that the provided supporting documents and expenses are accurate, supported and comply with policy, working with the traveler to have appropriate documentation. The Board of County Commissioners will be provided copies of the policies and procedures and be reminded of the importance of complying with County policies and procedures.	12/2018	I (2)	
2.2	Internal Audit recommends management reemphasize to staff and elected officials the importance of submitting the TAERs within ten	The newly developed policies and procedures will emphasize that TAERs with supporting documentation are to be submitted in a timeframe that ensures the	12/2018	NI	

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				Implementation Status	
Risk Observation	Recommendation	Management’s Risk Mitigation Strategy	Original Implementation Date	Current Status	Comments
	business days from the end of the trip.	finalized and approved TAER is submitted to Finance within ten days of returning from a trip. In addition, when reviewing TAERs, staff and elected officials will receive an email when their submission has exceeded the ten-day deadline. Reinforcing the policy requirement may increase overall compliance.			
3.1	Internal Audit recommends management ensures the Travel Signature Authorization form is completed each year, updating as necessary.	The Travel Authorization Signature Form will be completed annually at the beginning of each fiscal year. The Chief of Staff in the County Manager’s Office will be assigned this accountability. This form will be updated as necessary throughout the fiscal year.	10/2018	I	
4.1	Internal Audit recommends management thoroughly review final TAERs and ensure all necessary supporting documentation is included before approving and submitting to Finance.	The County Manager’s Office will ensure that TAERs are thoroughly reviewed and ensure all necessary supporting documentation is included before approving and submitting to Finance.	12/2018	I	
5.1	Internal Audit recommends management ensure all staff and	The County Manager’s Office (CMO) will develop and	12/2018	I	

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				Implementation Status	
Risk Observation	Recommendation	Management’s Risk Mitigation Strategy	Original Implementation Date	Current Status	Comments
	elected officials are aware of and understand the County travel policy prior to traveling.	implement department level policies and procedures for travel activities. All CMO staff will be trained on the policies and procedures. Staff will sign a form indicating that they have participated in the training and understand the content. The Board of County Commissioners will be provided copies of the policies and procedures and reminded of the importance of complying with County policies and procedures.			