



**Mecklenburg County  
Department of Internal Audit**

Department of Social Services  
Accounts Payable Follow-Up Audit  
Report 2212

October 17, 2022

---

**Internal Audit's Mission**

To support key stakeholders in cultivating an environment of accountability, transparency, and good governance.

---

**Internal Audit Contacts**

Terry Thompson, CIA, CRMA, Audit Director  
(980) 314-2889 or [stephon.thompson@mecklenburgcountync.gov](mailto:stephon.thompson@mecklenburgcountync.gov)

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

---

**Staff Acknowledgements**

Rhonda Minter, 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:** Terry Thompson, Director  
Department of Internal Audit

**Date:** October 17, 2022

**Subject:** Department of Social Services Accounts Payable Follow-Up Audit Report 2212

The Department of Internal Audit completed a follow-up audit on issues reported in the Department of Social Services Accounts Payable Audit Report 2063 issued June 24, 2020. 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 five recommendations in the Department of Social Services Accounts Payable Audit Report 2063. 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 Implemented <sup>1</sup>	Withdrawn	Total Carryforward
2021	2063 <sup>2</sup>	N/A	5			5
2022	2212	4	1			1

<sup>1</sup> Management assuming risk for not taking corrective action

<sup>2</sup> Initial Report

Details regarding the most recent follow-up audit are noted in the attached **Follow-Up Results** matrix.

Internal Audit will perform an additional follow-up to verify that corrective actions have been fully implemented and working as intended for the remaining carryforward issue. Recommendations considered implemented will be excluded from further review.

The cooperation and assistance of the Department of Social Service staff are recognized and appreciated.

- c: Deputy County Managers
- County Attorney
- Deputy County Attorney
- Board of County Commissioners
- Audit Review Committee
- Director, Department of Social Services

**Follow-Up Results**  
**Department of Social Services Accounts Payable Report 2063**

- **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 accounts payable policies and procedures and train staff accordingly. The procedures should be comprehensive, consistent with applicable County requirements, and include at a minimum: <ul style="list-style-type: none"> <li>• Essential operating activities required to process payments, e.g., invoice review, approval, and processing; recordation; supporting documentation maintenance; and monitoring</li> <li>• Staff roles and responsibilities</li> <li>• Staff training requirements</li> <li>• Periodic procedure reviews and update</li> </ul>	While County Finance policies are followed regarding the timely submission of invoices, the DSS policy and procedures will identify the positions responsible for receiving, reviewing, approving, and submitting invoices to the Finance Department for payment. The DSS Accounts Payable Policy and Procedures will be drafted, reviewed, and approved by DSS Management.	07/2020	I (3)	
2.1	Internal Audit recommends management implement a process to ensure staff members involved in the accounts payable process receive initial and refresher training and	DSS will coordinate with the Finance Department to arrange training for the appropriate staff and ensure the same staff are trained on all internal DSS policies and procedures. DSS will also develop a schedule for refresher training. All training will be documented.	08/2020	IO	Internal Audit determined the process did not ensure all staff members involved in the accounts payable process were identified and received training.
	maintain documentation of training content and participants.		08/2020	I	