



**Mecklenburg County
Department of Internal Audit**

Advantage Application Follow-Up Audit
Report 2213

November 22, 2022

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

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Staff Acknowledgements Robert Nebel, 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: Terry Thompson, Director
Department of Internal Audit

Date: November 22, 2022

Subject: Advantage Application Follow-Up Audit Report 2213

The Department of Internal Audit completed a follow-up audit on reported issues from the Advantage Application Audit Report 1152 issued June 21, 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 seven recommendations in the Advantage Application Audit Report 1152. 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Fiscal Year	Audit Report	Implemented	Open	Not Implemented ¹	Withdrawn	Total Carryforward
2012	1152 ²	N/A				7
2014	1464	3	2		2	2
2015	1588		2			2
2018	1802		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Fiscal Year	Audit Report	Implemented	Open	Not Implemented¹	Withdrawn	Total Carryforward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	1920		2			2
2022	2213		1	1		1

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 corrective actions have been fully implemented and working as intended.

The cooperation and assistance of the Financial Services Department staff are recognized and appreciated.

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

Follow-Up Results
Advantage Application Audit Report 1152

- **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	Internal Audit recommends the Department develop formal, documented policies and procedures to include, at a minimum: <ul style="list-style-type: none"> • Advantage application security risk assessments • security roles • user access controls • configuration management • batch processing verification and error handling • controls and compliance monitoring • business continuity planning 	Agree. The items mentioned above will be added to the Advantage Security Policy and Procedures document. This will be completed within 9 months.	03/2013	NI	Internal Audit determined procedures regarding an application security risk assessment were under development but not complete. The Finance Department acknowledges that periodic risk assessments of the applicant may be a best practice, however resource constraints both in terms of people and expertise prevent them from completing such a comprehensive exercise with any degree of consistency or thoroughness. As such Finance will not be including any reference to conducting these assessments in the policy and accepts the risk of not implementing this practice. Instead, as the Department reviews various business processes throughout the Department, Finance will ensure that a thorough review of the associated functionality and risks within the Advantage application is evaluated.
3	Internal Audit recommends the Department periodically test and update its Business Continuity Plan, including coordination with BSSA-IT to ensure Advantage can be timely recovered.	Agree. We will contact BSSA-IT and outline a plan to test Advantage in the Business Continuity Plan. This will happen within the next 90 days.	09/2012	P	Internal Audit determined corrective actions regarding disaster recovery were partially implemented. Management indicated Finance and Information Technology Services will be evaluating and testing these aspects in conjunction with the vendor once the planned upgrade and move to the cloud is complete in calendar year 2023.