



**Audit Committee Meeting  
August 6, 2020 @ 3:00pm  
Virtual Meeting  
Via Zoom**

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**AGENDA**

1. Call to Order
2. Welcome New Audit Committee Members
3. Approval of Agenda
4. Approval of Meeting Minutes
5. Discussion of Appointment of Officers
6. Internal Audit Activities (*Presented by Elizabeth Somerindyke, Internal Audit Director*):
  - a. WEX Fuel Card Follow-up Audit – Fire and Finance (A2019-05F)
  - b. Police Department Payroll Audit (A2020-01)
7. Quarterly Management Implementation Status Report
8. Adjournment

Attachments:

- a) Draft Meeting Minutes – January 23, 2020
- b) WEX Fuel Card Follow-up Audit - Fire and Finance (A2019-05F)
- c) Police Department Payroll Audit Report A2020-01
- d) Quarterly Management Implementation Status Report 1<sup>st</sup> Quarter FYE21

433 Hay Street  
Fayetteville, NC 28301-5537  
(910) 433-1672 | (910) 433-1680 Fax  
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**AUDIT COMMITTEE QUARTERLY MEETING MINUTES**  
**ST. AVOLD ROOM, 3<sup>rd</sup> FLOOR**  
**CITY HALL, 433 HAY STREET, FAYETTEVILLE**  
**THURSDAY, JANUARY 23<sup>rd</sup>, 2020**  
**3:00 P.M.**

**Committee Members Present:** Council Member Johnny Dawkins (Acting Chairman)  
Council Member Larry Wright  
Council Member Yvonne Kinston  
Ms. Evelyn Shaw, PWC Commissioner  
Ms. Amy Samperton, FTCC Director of Procurement & Equipment  
Dr. Pamela Jackson, FSU Provost

**Others Present:**

**Staff Present:** Ms. Karen McDonald, City Attorney  
Mr. Doug Hewett, City Manager  
Dr. Telly Whitfield, Assistant City Manager  
Ms. Elizabeth Somerindyke, Internal Audit Director  
Ms. Rose Rasmussen, Senior Internal Audit  
Ms. Amanda Rich, Internal Auditor  
Mr. Jay Toland, Interim Chief Financial Officer  
Mr. Gerald Newton, Development Services Director  
Ms. Sheila Thomas-Ambat, Director of Public Services  
Ms. Kristin Roberts, Senior Administrative Assistant

**1.0 Call to Order**

Council Member Dawkins called the meeting to order at 3:00 p.m. and welcomed new committee member Council Member Yvonne Kinston, who will certainly be an asset to the group as she has auditing experience herself.

**2.0 Approval of Agenda**

**MOTION:** Council Member Wright  
**SECOND:** Ms. Evelyn Shaw  
**VOTE:** UNANIMOUS (6-0)

**3.0 Approval of Meeting Minutes**  
**November 25<sup>th</sup>, 2019**

**MOTION:** Ms. Samperton  
**SECOND:** Council Member Wright  
**VOTE:** UNANIMOUS (6-0)

**4.0 Internal Audit Activities (Presented by Elizabeth Somerindyke, Internal Audit Director)**

**a. Police Department Confidential Funds Audit (A2020-03)**

The purpose of this audit was to evaluate compliance with the organization's policies and

procedures; applicable laws, regulations and guidelines, and evaluate internal controls for the Police Department's confidential funds. Objectives of this audit included determining if confidential funds were sufficiently administered in accordance with established laws, regulations, guidelines, policies and procedures; and if proper internal controls existed and were working as intended to safeguard confidential funds from loss, theft, or fraud. The audit period covered fund activity from January 1, 2019 to October 31, 2019 for the Fayetteville Police Department's VICE Investigative Division. Methodology of this audit included comparing applicable written policies, procedures, laws, regulations and guidelines against actual practices of the Police Department, interviewing Police Department personnel involved in administration, maintenance, and use of confidential funds, and reviewing the accounting records and documents pertaining to confidential funds to include Power DMS. Contraband seized during operations were also traced to the Property and Evidence Room. Based on the audit work performed, the Office of Internal Audit concluded the Police Department's Special Investigation Division was generally in compliance with the organization's policies and procedures, applicable laws, regulations, and guidelines; and adequate internal controls existed.

**MOTION TO ACCEPT:** Council Member Wright  
**SECOND:** Dr. Pamela Jackson  
**VOTE:** UNANIMOUS (6-0)

#### **b. Status of Current Internal Audit Projects**

Ms. Somerindyke updated the committee on the status of current projects within the Office of Internal Audit. Ms. Somerindyke noted that the Police Payroll Audit is finalized, and will be ready for review in April of 2020. The Office of Internal Audit is also finalizing the WEX Fuel Card audit, and is following-up with the Fire Department and Finance. This audit will also be ready for review in April of 2020. The Office of Internal Audit is also currently working on a City-wide Accounts Payable Timeliness Audit, and are looking into possible late-payment penalties or early payment discounts. Finally, a Conflict of Interest Questionnaire will be going out to the City Council, the Senior Management Team, and a sample of City employees early this year.

#### **5.0 Quarterly Management Implementation Status Report**

The purpose of this report is to provide members of the Audit Committee with an update on the progress of management's implementation of recommendations made by the Office of Internal Audit. This report was provided to committee members for informational purposes but was not presented.

#### **6.0 Other Business**

##### **a. Board Changes**

Ms. Somerindyke announced that this would be Dr. Pamela Jackson's last meeting as a member of the Audit Committee. She thanked Dr. Jackson for her years of work with the group and reminded everyone that the deadline to apply for the two citizen positions on the Audit Committee is January 31<sup>st</sup>. The next Audit Committee meeting will be held in April 2020.

#### **7.0 Adjournment**

There being no further business, the meeting adjourned at 3:25 p.m.

Respectfully submitted,

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KRISTIN ROBERTS  
Sr. Administrative Assistant  
10242019

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COUNCIL MEMBER JOHNNY DAWKINS  
Acting Chairman

DRAFT



**OFFICE OF INTERNAL AUDIT**

Date: August 6, 2020

To: Jay Toland, Chief Financial Officer

From: Elizabeth Somerindyke, Internal Audit Director

Cc: Audit Committee  
 Douglas J. Hewett, City Manager  
 Telly Whitfield, Ph.D., Assistant City Manager

Re: Follow-up WEX Fuel Card Compliance Audit (Fire Department) Issued May 2, 2019

The Office of Internal Audit has completed the follow-up on the WEX Fuel Card Compliance Audit Report approved by the Audit Committee on May 2, 2019. Internal Audit’s objective was to determine whether management implemented corrective actions to audit recommendations reported by the Office of Internal Audit.

**Results**

<b>Finding #</b>	<b>Original Audit Recommendation Dated May 2, 2019</b>	<b>Implemented/Partially/Not Implemented</b>
1.1	<i>Federal and State fuel tax exemptions were not obtained.</i>  File applicable fuel tax exemption documentation and follow-up to ensure the City receives the fuel tax exemption status with WEX.	<b>IMPLEMENTED</b>  Based on Internal Audit inquiry, the Finance Department filed the fuel tax exemption documentation with WEX. Based on Internal Audit’s review of Police and Fire department WEX transaction reports provided by the Finance Department, the tax exemption appeared to be effective April 26, 2019 for a total of \$146,579.52 in cost savings for the City from April 26, 2019 to December 31, 2019.
1.2	<i>Federal and State fuel tax exemptions were not obtained.</i>  Research to determine if the City is entitled to Federal and State fuel tax refunds paid	<b>IMPLEMENTED</b>  The Finance Department filed documentation within the statute of limitations with the Internal Revenue Service and North Carolina Department of Revenue, and the City has

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	since 2014 and request refunds, as deemed eligible.	received \$184,494.43 in Federal tax refunds and \$294,326.79 in State tax refunds. Total refunds received are \$478,821.22. In addition, the City is anticipating an additional \$11,315.57 in refunds that was requested from the North Carolina Department of Revenue.
1.3	<p><b><i>Federal and State fuel tax exemptions were not obtained.</i></b></p> <p>Monitor WEX fuel card invoices for merchants not participating in the tax exemption program to ensure fuel tax refunds are requested.</p>	<p><b><i>IMPLEMENTED</i></b></p> <p>Based on Internal Audit review of Police and Fire department WEX transaction reports provided by the Finance Department, sales tax totaling \$287.31 was only charged on out-of-state transactions.</p>
3.1	<p><b><i>City-wide and/or departmental written policies and procedures governing fuel card usage and management were not documented.</i></b></p> <p>Develop written city-wide and departmental policies and procedures for using WEX fuel cards, to include identifying the City administrator of the WEX fuel card program. These policies and procedures should address the City administrator and user department responsibilities, as well as operational guidance.</p>	<p><b><i>IMPLEMENTED</i></b></p> <p>The City of Fayetteville Fuel Card Practices and Procedures Policy # 315 was effective January 6, 2020. The City policy defines the Fuel Card Administrator as a Finance Department employee designated by the Chief Financial Officer. The policy outlines the City's Fuel Card Administrator, Department Fuel Card Administrator and individual users' responsibilities, and provides operational guidance.</p>
3.2	<p><b><i>City-wide and/or departmental written policies and procedures governing fuel card usage and management were not documented.</i></b></p> <p>Ensure user departments are provided copies of the city-wide policies and procedures and are requested to comply and develop internal procedures for fuel cards. Training should be given to personnel that use WEX fuel cards to ensure understanding and adherence to the policies and procedures.</p>	<p><b><i>IMPLEMENTED</i></b></p> <p>The City policy was distributed to Fire Department personnel on January 6, 2020 through PowerDMS, a policy management software. In addition, training was distributed to Fire Department personnel through PowerDMS in March 2020.</p>
3.3	<p><b><i>City-wide and/or departmental written policies and procedures governing fuel card usage and management were not documented.</i></b></p> <p>A process should be developed to ensure when personnel are no longer employed with the City, their WEX fuel card PIN</p>	<p><b><i>IMPLEMENTED</i></b></p> <p>Based on Internal Audit inquiry, the Fire Department established a process to ensure PINs were deactivated for personnel no longer employed by the City. Based on the list of active WEX drivers for the Fire Department,</p>

	<p>number is deactivated immediately after their last day of employment.</p>	<p>Internal Audit found no former Fire Department employees who still had an active PIN.</p> <p>The Fire Department will contact Purchasing to deactivate PINs. In addition, Purchasing received a separation listing every two weeks from the Human Resource Development Department and reviewed for employees needing PINs deactivated.</p>
7	<p><b><u>Finding 7</u></b> <i>Segregation of duties over WEX fuel cards administration and system access were lacking.</i></p> <p>Internal Audit recommends WEX fuel card administration responsibilities be reassigned in order to achieve an effective separation.</p>	<p><b><i>IMPLEMENTED</i></b></p> <p>The Finance Department assumed the WEX fuel card administration responsibilities in order to achieve an effective separation.</p>
8	<p><b><u>Finding 8</u></b> <i>Training and accountability were not required.</i></p> <p>Management should ensure personnel sign a fuel usage agreement that details the terms and conditions on the proper use of the fuel card prior to issuing fuel cards.</p>	<p><b><i>IMPLEMENTED</i></b></p> <p>Although Internal Audit recommended personnel to sign a user agreement, Fire Department personnel acknowledged acceptance of both the Fire Department Use of Fuel Cards Policy # 306 and the City's Fuel Card Practices and Procedures # 315 through PowerDMS along with training, whereby, accepting the terms and conditions of both documents.</p>



**OFFICE OF INTERNAL AUDIT**

Date: August 6, 2020

To: Michael Hill, Fire Chief

From: Elizabeth Somerindyke, Internal Audit Director

Cc: Audit Committee  
Douglas J. Hewett, City Manager

Re: Follow-up WEX Fuel Card Compliance Audit (Fire Department) Issued May 2, 2019

The Office of Internal Audit has completed the follow-up on the WEX Fuel Card Compliance Audit Report approved by the Audit Committee on May 2, 2019. Internal Audit’s objective was to determine whether management implemented corrective actions to audit recommendations reported by the Office of Internal Audit.

**Results**

<b>Finding #</b>	<b>Original Audit Recommendation Dated May 2, 2019</b>	<b>Implemented/Partially/Not Implemented</b>
2.1	<p><b><i>Fraud, waste and abuse potentially existed due to lack of internal controls.</i></b></p> <p>Internal Audit recommends management of the Fire Department implement the recommendations as presented in the audit report to ensure internal controls are established, followed, maintained, and properly documented to include a process to ensure adequate follow-up regarding questionable fueling transactions is conducted.</p>	<p><b>IMPLEMENTED</b></p> <p>The Fire Department established the Use of Fuel Cards Policy #306 that established the internal controls identified in the WEX Fuel Card audit recommendations. In addition, requirements established in the City’s Fuel Card Practices and Procedures #315 was implemented.</p>
2.3	<p><b><i>Fraud, waste and abuse potentially existed due to lack of internal controls.</i></b></p> <p>Management should ensure WEX fuel card PINs are only assigned to personnel with the ability and need to use the fuel cards.</p>	<p><b>IMPLEMENTED</b></p> <p>Based on Internal Audit inquiry, the Fire Department no longer issues PINs to new personnel during the Fire Academy. PINs will not be issued until personnel are eligible to drive the Department’s vehicles.</p>

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2.4	<p><b><i>Fraud, waste and abuse potentially existed due to lack of internal controls.</i></b></p> <p>Assessment of a secure location in Fire vehicles and equipment should be completed to determine the safest location for fuel cards to be maintained. Policies should note suitable places to store the fuel card in City owned vehicles and equipment.</p>	<p><b>IMPLEMENTED</b></p> <p>The Fire Department Use of Fuel Card Policy # 306 designates suitable locations where the fuel cards should be stored. Based on the sample of six (5%) WEX fuel cards inventoried during the audit, the auditors noted the WEX fuel cards were secured in the designated locations.</p>
3.1	<p><b><i>City-wide and/or departmental written policies and procedures governing fuel card usage and management were not documented.</i></b></p> <p>Develop written city-wide and departmental policies and procedures for using WEX fuel cards, to include identifying the City administrator of the WEX fuel card program. These policies and procedures should address the City administrator and user department responsibilities, as well as operational guidance.</p>	<p><b>IMPLEMENTED</b></p> <p>The Fire Department established Policy # 306 Use of Fuel Cards effective July 1, 2019. This policy outlines the Department Fuel Card Administrator and individual users' responsibilities, and provides operational guidance.</p>
3.2	<p><b><i>City-wide and/or departmental written policies and procedures governing fuel card usage and management were not documented.</i></b></p> <p>Ensure user departments are provided copies of the city-wide policies and procedures and are requested to comply and develop internal procedures for fuel cards. Training should be given to personnel that use WEX fuel cards to ensure understanding and adherence to the policies and procedures.</p>	<p><b>IMPLEMENTED</b></p> <p>The Fire Department policy was distributed to Fire Department personnel on June 26, 2019 through PowerDMS, a policy management software.</p> <p>Training was distributed through PowerDMS in March 2020 based on the City policy #315. A block of instruction will be included in Fire Academy on WEX fuel card uses.</p>
3.3	<p><b><i>City-wide and/or departmental written policies and procedures governing fuel card usage and management were not documented.</i></b></p> <p>A process should be developed to ensure when personnel are no longer employed with the City, their WEX fuel card PIN number is deactivated immediately after their last day of employment.</p>	<p><b>IMPLEMENTED</b></p> <p>Based on Internal Audit inquiry, the Fire Department established a process to ensure PINs were deactivated for personnel no longer employed by the City. Based on the list of active WEX drivers for the Fire Department, Internal Audit found no former Fire Department employees who still had an active PIN.</p>
3.4	<p><b><i>City-wide and/or departmental written policies and procedures governing fuel card usage and management were not documented.</i></b></p>	<p><b>IMPLEMENTED</b></p>

	Sharing PIN's should be considered a violation of policy.	The Fire Department's fuel card policy stated the sharing of PIN's is not allowed. No instances of PIN sharing were noted.
4	<p><b><i>Departmental management should perform an appropriate level of review.</i></b></p> <p>Management should ensure fuel consumption of each vehicle and personnel are monitored and reviewed and any abnormalities in fuel consumption, to include purchases of higher grade fuel, is investigated. Additionally, trend analysis should be performed to identify and justify increases/decreases in monthly fuel consumption.</p> <p>Based on the type of apparatus/vehicle, management should establish a mechanism to track miles per gallon, assess vehicle utilization and monitor potential abuse.</p> <p>Although the WEX system allows fuel card controls, establishment of a process to review for exceptions is recommended.</p>	<p><b>IMPLEMENTED</b></p> <p>The Fire Department Use of Fuel Cards Policy # 306 required a fuel log and original receipts to be maintained monthly for each WEX fuel card. The fuel logs were submitted to the Fire Department's Fuel Card Administrator each month who reviewed the transactions for accuracy and completeness against the monthly invoice. Based on Internal Audit inquiry, the review also included spot checking the odometer readings, number of gallons and locations. A follow up is also conducted by another Fire Department employee on discrepancies.</p>
5.1	<p><b><i>WEX fuel cards were not inventoried and could not be located.</i></b></p> <p>Require an annual physical verification of all fuel cards, as evidenced by signature and date of the personnel conducting the inventory and the cardholder assigned to the vehicle.</p>	<p><b>IMPLEMENTED</b></p> <p>The Fire Department Use of Fuel Cards Policy # 306 required a bi-annual audit of WEX fuel cards. Based on Internal Audit inquiry, the first bi-annual audit was conducted by the Fire Department in January 2020 and the second was conducted in July 2020.</p>
5.2	<p><b><i>WEX fuel cards were not inventoried and could not be located.</i></b></p> <p>Unaccounted for fuel cards should be deactivated immediately.</p>	<p><b>IMPLEMENTED</b></p> <p>Based on Internal Audit inquiry, the bi-annual audit found no unaccounted for fuel cards.</p>
5.3	<p><b><i>WEX fuel cards were not inventoried and could not be located.</i></b></p> <p>Management should develop and maintain a listing of vehicles and the fuel cards assigned, to include spare and miscellaneous fuel cards.</p>	<p><b>IMPLEMENTED</b></p> <p>The assigned vehicle or station for each fuel card was listed in the WEX fuel card system. Therefore, an active WEX fuel card list from the WEX fuel card system would show the vehicles and fuel cards assigned to include miscellaneous fuel cards. This listing is used to perform the annual physical inventory.</p>

5.4	<p><b><i>WEX fuel cards were not inventoried and could not be located.</i></b></p> <p>Management should ensure cancellation of fuel cards due to disposal/surplus is completed on a timely basis and are followed-up to ensure they are deactivated.</p>	<p><b>IMPLEMENTED</b></p> <p>Based on Internal Audit review, no WEX fuel cards were noted as being assigned to surplus or disposed vehicles.</p>
5.5	<p><b><i>WEX fuel cards were not inventoried and could not be located.</i></b></p> <p>Establish a process in which fuel cards without activity for a given period of time are deactivated.</p>	<p><b>IMPLEMENTED</b></p> <p>The Fire Department could potentially have fuel cards with extended periods of non-use. Fire Department management had reduced fuel cards, but due to operational concerns, fuel cards could not be reduced any further. However, fuel cards assigned to stations are inventoried daily with the exception of miscellaneous cards which are kept secured in locations at the stations.</p>
6	<p><b><i>Internal controls were lacking in the City's WEX fuel card online program.</i></b></p> <p>Management should utilize the controls within the WEX fuel card online system when possible, and when not possible, alternative controls should be put in place to detect exceptions.</p>	<p><b>IMPLEMENTED</b></p> <p>Controls have been established to only allow the purchase of fuel on all Fire Department WEX fuel cards. In addition, the Fire Department established a process to review the WEX fuel card transactions every month to detect exceptions.</p>
8	<p><b><i>Training and accountability were not required.</i></b></p> <p>Management should ensure personnel sign a fuel usage agreement that details the terms and conditions on the proper use of the fuel card prior to issuing fuel cards.</p>	<p><b>IMPLEMENTED</b></p> <p>Although Internal Audit recommended personnel to sign a user agreement, Fire Department personnel acknowledged acceptance of both the Fire Department Use of Fuel Cards Policy # 306 and the City's Fuel Card Practices and Procedures # 315 through PowerDMS along with training, whereby, accepting the terms and conditions of both documents.</p>



**Compliance Audit 2020-01  
Police Department Payroll**

**August 2020**

**Director of Internal Audit**  
Elizabeth Somerindyke

**Senior Internal Auditor**  
Rose Rasmussen

**Internal Auditor**  
Amanda Rich



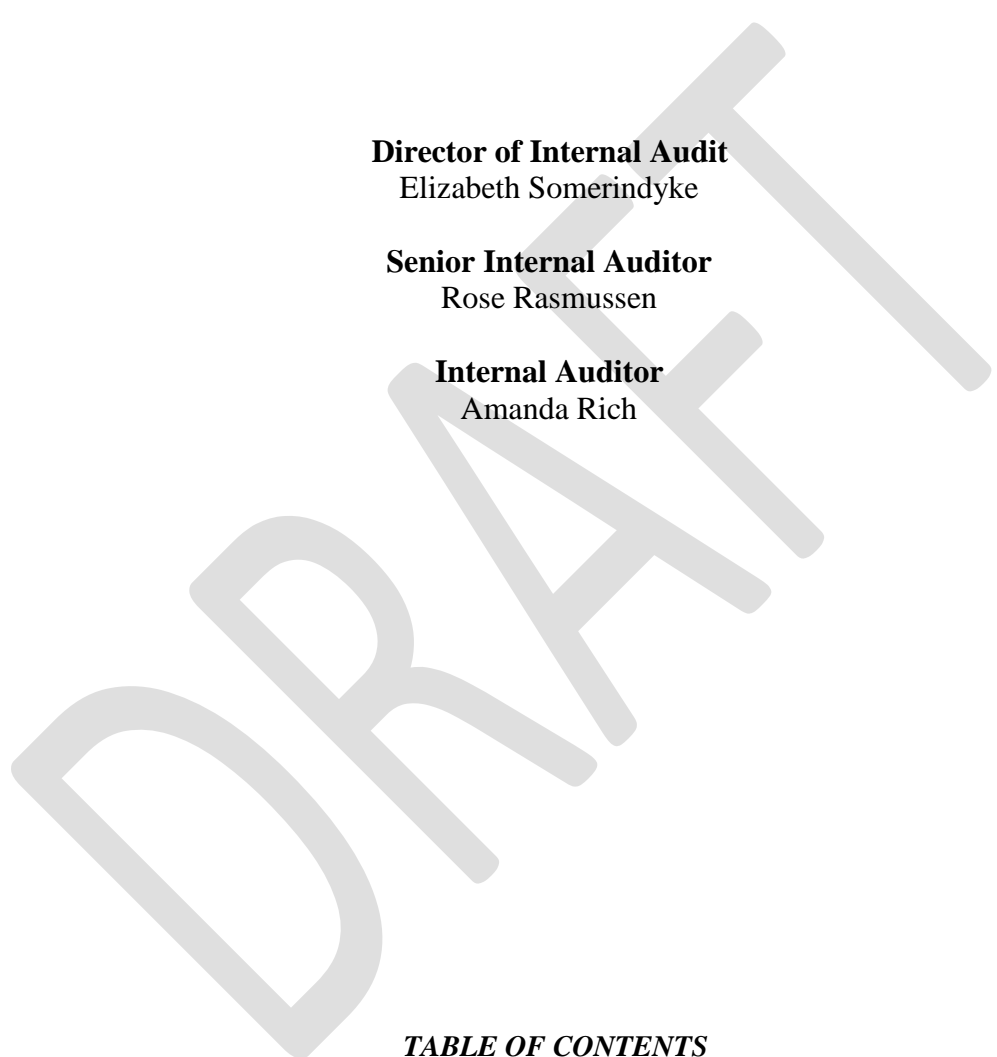
**OUR MISSION**

Provide independent, objective assurance and consulting services designed to add value and improve the City of Fayetteville’s operations.

**Director of Internal Audit**  
Elizabeth Somerindyke

**Senior Internal Auditor**  
Rose Rasmussen

**Internal Auditor**  
Amanda Rich



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**Mailing Address: 433 Hay Street, Fayetteville, NC 28301**

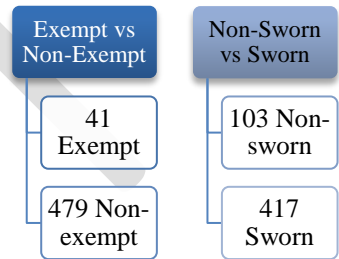
## EXECUTIVE SUMMARY

In accordance with the Fiscal Year 2019 Audit Plan, Internal Audit conducted an audit of the Fayetteville Police Department’s Timekeeping and Payroll Processes<sup>1</sup>. The City disbursed \$40.1 million for Police Department salaries and benefits in fiscal year 2019, which represents approximately 83% of its annual expenditures. This audit was essential due to the many changes within the Police Department’s timekeeping and payroll processes.

**\$40.1 million (83%) in salaries and benefits of total expenditures for fiscal year 2019**

Additionally, the audit was important since tracking employee’s time can increase productivity, provide transparency, and support the City in complying with the Fair Labor Standards Act (FLSA) along with assisting in efficiencies. As a final point, if the City is unable to track time accurately, the City will be in violation of FLSA regulations, incorrect payment of wages to employees are inevitable and legal proceedings against the City are possible.

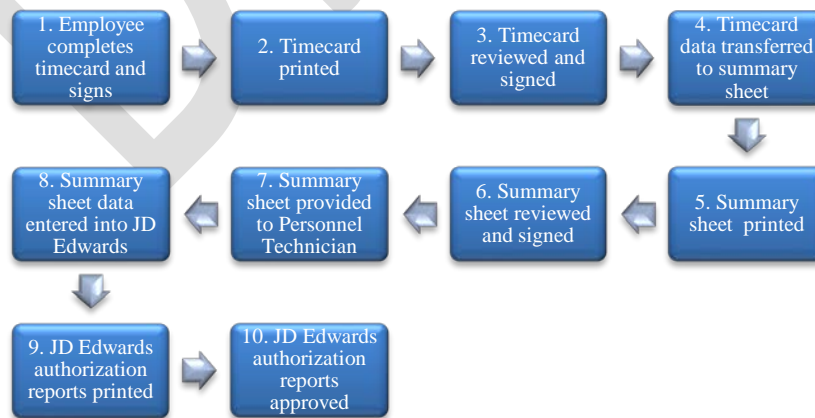
The City of Fayetteville operates on a bi-weekly pay schedule, whereas, the pay period begins on Monday, and closes on Sunday, two weeks later. Payroll prepared by the Police Department consists of one employee who processes the bi-weekly payroll for approximately 520<sup>2</sup> employees. Payroll processing is very time sensitive; Police Department personnel have a very short timeframe to process employee timecards, correct errors, review and approve, and before submitting to the Finance Department Payroll Division for payment processing through JD Edwards, the City’s financial system.



An electronic timekeeping system, Kronos, was implemented for all City Departments during fiscal year 2016, except for the public safety departments. The Police Department uses a manual paper timekeeping system to track time, but standardization of forms and practices followed by Police Department personnel were developed internally and did not clearly capture all time worked. (Finding 2)

Based on Internal Audit’s observations, the current timekeeping process within the Police Department created an environment of confusion and duplication of work. Internal Audit noted incorrect wages paid to employees due to the use of the summary sheet which also caused inefficiencies, lack of timecard accountability and could unnecessarily delay the completion of the payroll process. (Finding 1)

Figure 1: Current Manual Timekeeping Process for Non-Exempt Personnel (Sworn & Non-Sworn)



<sup>1</sup> Police Department’s E-911 timekeeping and payroll processes, to include the 64 budgeted FTE’s, were not included in the audit. However, Internal Audit advises management to implement the recommendations for findings 1, 2, 4 and 8 for E-911.

<sup>2</sup> Based on 541.5 budgeted FTE’s with a 4% vacancy rate.

Steps 1 through 8 were repeated when a revised timecard was needed requiring rework. Summary sheets were due to the Personnel Technician for payroll preparation on the Monday following the end of the pay period. Therefore, timecards were required to be completed and submitted to supervisors before all scheduled work hours were completed. Any deviation from the scheduled hours would need to be submitted on a revised timecard and timely submitted for payroll processing in the pay period the hours were worked. (Finding 3)

Timecards requiring revisions were a common trend during the audit period for on-call personnel, whereas, submitting time worked before the end of the workweek did not reflect potential hours worked outside of the employees scheduled work hours. Based on Internal Audit inquiry and observations, most timecards were submitted to supervisors on Thursdays, as revisions to timecards were generally for hours worked from Friday to Sunday. (Finding 3)

FLSA Section 207 (k) allows public agencies to pay overtime after the officers have exceeded 171 hours in a 28-day period. However, if timecard revisions were not submitted and processed within the correct 28-day FLSA period, incorrect payments of FLSA 207 (k) overtime to law enforcement (sworn/non-exempt) personnel were noted. (Finding 3)

Internal Audit's evaluation over the timekeeping and payroll processes indicated JD Edwards payroll authorization reports were not reviewed to the payroll source documents<sup>3</sup> to ensure accurate and complete processing, whereas, keying errors were noted causing wages paid to personnel to be incorrect. (Finding 4)

The FLSA established regulations for payroll record keeping and compensating non-exempt employees for all time worked. Written departmental operating procedures did not have sufficient controls for accountability or were not in compliance with applicable regulations. (Finding 5)

Departmental procedures did not provide guidance to employees and supervisors that outlines the circumstances in which personnel are allowed to work overtime versus earning compensatory time. Additionally, guidance on documenting supervisory approval on timecards was not noted, resulting in inconsistent payment of overtime versus compensatory time earned. (Finding 5)

City personnel involved in the Police Department's payroll process lacked a thorough understanding of applicable guidelines<sup>4</sup>. Without proper training, payroll data cannot be relied on and the City risks noncompliance with the FLSA. Additionally, failure to track time accurately can lead to personnel being paid inaccurately and create re-work which impacts efficiencies. (Finding 6)

Due to a schedule change for patrol officers, inconsistent tracking of time worked caused FLSA violations. The FLSA guidelines allow law enforcement personnel to follow a 28-day period; therefore, their time can be entered into JD Edwards on a 2-week basis versus a 1-week basis to streamline and improve the efficiency of the process. However, payroll continued to be processed on a weekly basis causing confusion which ultimately caused wages paid to personnel to be incorrect. (Finding 7)

Although the FLSA requires the City to maintain records for non-exempt employees, exempt personnel are not required to track time worked. However, formal processes were not in place to ensure all leave taken was reported. Leave used but not reported is hard to detect/uncover and is a financial loss to the City. (Finding 8)

Internal Audit noted the Police Department is the largest department within the City with 541.50<sup>5</sup> full time-equivalents (33%) of the 1,635 full-time equivalents budgeted for fiscal year 2019-2020 for all City personnel. Furthermore, payroll is the Police Department's largest expenditure with budgeted fiscal year

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<sup>3</sup> "A source document is an original record which contains the detail that supports or substantiates a transaction that will be (or has been) entered in an accounting system." A timecard supports the issuance of a paycheck or electronic payment to an employee. Source: [www.accountingcoach.com](http://www.accountingcoach.com)

<sup>4</sup> Federal and State regulations, City policies, procedures and manuals, and Departmental directives and procedures.

<sup>5</sup> Total does not include over hire positions.

2019-2020 Police Department personnel costs of \$41.3 million (82%) of the total Police Department budget of \$50.2 million, these totals exclude E-911.

This report addresses control weaknesses within the timekeeping and payroll processes that negatively impacted the control environment. As a result, eight findings were noted. For a detailed explanation of each of the findings please refer to the appropriate finding contained in the body of this Audit Report.

1. A manual timekeeping process was used which included unnecessary work; ultimately caused payroll errors and impacted timekeeping records.
2. Paper timekeeping forms lacked clarity causing payroll processing errors.
3. Processing hours worked in the incorrect 28-day FLSA period caused errors in pay.
4. Payroll authorization reports from JD Edwards were not reviewed to timecards.
5. Payroll departmental operating procedures required updating to ensure FLSA compliance and clear guidance for all personnel.
6. Comprehensive training was not provided to personnel involved in the timekeeping and payroll process.
7. Processing timecards for law enforcement personnel on a 2-week basis would improve efficiency.
8. There was no assurance exempt personnel were reporting leave time.

Internal Audit determined internal controls related to the Police Department timekeeping and payroll processes lacked an efficient review process and clearly written departmental operating procedures. The audit did not find evidence of intentional fraud. However due to these internal control deficiencies, Internal Audit could not ensure fraud, waste and abuse did not exist.

### ***BACKGROUND***

Within each City department, an employee is responsible for preparing the department's payroll and ensuring time worked by employees is submitted accurately to the City's Finance Department Payroll Division. To fulfill this responsibility, the Police Department Personnel Technician is tasked to prepare payroll records involving the calculation of compensation and overtime for departmental personnel to include entering all time worked for departmental personnel into JD Edwards. The position also acts as the point of contact for the Payroll Division regarding the Department's payroll data.

The City of Fayetteville operates on a bi-weekly pay schedule with a scheduled pay day of every other Friday which may be adjusted for holidays. The bi-weekly pay period ends on a Sunday, and the Police Department's payroll authorization reports are due to the Payroll Division by noon on the Tuesday following the end of the pay period which may be adjusted for holidays. Once the information has been submitted by the Police Department, the Payroll Division processes the payroll data for all City personnel and applies the information to the City's general ledger.

An electronic timekeeping system, Kronos, was implemented for all City Departments during fiscal year 2016, except for the public safety departments. Kronos is in the process of being implemented for the Police Department, but in the meantime, the Police Department continues to use manual timekeeping and payroll processes.

The Police Department experienced changes within the timekeeping and payroll processes beginning in January 2019. These changes consisted of the implementation of schedule changes for patrol officers. The schedules implemented consisted of 12 hour shifts which included 24 hours scheduled 1-week and 60 hours scheduled the next week for a total of 84 hours in a pay period. Due to the new schedules, a 2-week timecard was created to reflect this 2-week rotation. This change only impacted patrol officers, whereas, all other Police Department personnel used a 1-week timecard. However, the due date for timecards changed to the Monday following the end of each pay period for patrol personnel and every Thursday for all other Department personnel.



In February 2019, the Police Department also experienced staff turnover in the Personnel Technician position which processed the Police Department's payroll. Due in part to this personnel change, the Police Department introduced summary sheets to the timekeeping process to streamline the payroll process. This process required each unit to compile the information from the timecards onto a summary sheet for the unit which was used for payroll entry. This meant the Personnel Technician would process payroll by entering hours worked for employees into JD Edwards, the City's Financial System, from summary sheets and not timecards.

### ***AUDIT OBJECTIVES***

The objectives of this audit were to determine if:

- Time and attendance information agreed with appropriately approved and authorized supporting documentation; including determination if supporting documentation allows for appropriate audit trail;
- Individual and overall time approval were appropriate;
- Payroll changes were appropriately supported, authorized, and verified;
- Hours paid agreed with the supporting documentation; and
- Compensation was in accordance with relevant laws, regulations, guidelines, policies and procedures.

### ***AUDIT SCOPE***

The scope of the audit included Police Department payroll expenditures from January 1, 2019 to November 26, 2019. Internal Audit reviewed the payroll expenditures for 97 (18%) of 534 Police Department personnel who had used vacation accrual from January 1, 2019 to August 30, 2019. The sample was selected based on the vacation accrual due to a test performed which required reviewing leave balances. Additionally, three 28-day FLSA periods (six pay periods) were initially selected to test the hours paid, to include FLSA overtime for non-exempt sworn personnel, agreed to the timecards of the 97 employees sampled.

Due to the exceptions noted when testing the payroll for the 97 Department personnel in the original sample, Internal Audit selected an additional sample of 51 (10%) personnel. The sample was selected from a JD Edwards report of 513 department personnel as of October 21, 2019. The most current 28-day FLSA period ending date at the time of the audit of November 26, 2019 was reviewed to determine if processes had improved. These samples excluded Police Department E-911 personnel.

### ***AUDIT METHODOLOGY***

In order to accomplish the objectives of the audit, the Office of Internal Audit performed, but were not limited to, the following:

- Interviewed personnel from the Police, Finance and Human Resource Development Department and the City Attorney's Office;
- Reviewed the Police Department's Operating Procedures 10.2 – Personnel and Payroll, City of Fayetteville Human Resource Development Compensation/Classification Manual, City of Fayetteville Payroll Policies & Procedures Manual, City of Fayetteville Municipal Code of Ordinances, Code of Federal Regulations, Fair Labor Standards Act (FLSA) and any other applicable memorandums or directives related to Police Department payroll for compliance;
- Compared timecards and summary sheets to JD Edwards, the City's Financial System;
- Reviewed any additional documentation maintained related to payroll expenditures; and
- Considered risk of fraud, waste and abuse.

## MANAGEMENT'S ACCEPTANCE OF RISK

According to the Government Auditing Standards, Internal Audit is required to provide additional explanation when the auditors disagree with management's response.

Government Auditing Standards state: "When the audited entity's comments are inconsistent or in conflict with the findings, conclusions, or recommendations in the draft report, or when planned corrective actions do not adequately address the auditors' recommendations, the auditors should evaluate the validity of the audited entity's comments. If the auditors disagree with the comments, they should explain in the report their reasons for disagreement."

Therefore, to ensure adherence to the Government Auditing Standards, and to provide clarity, and ensure management and the reader have all necessary information, Internal Audit provided additional explanation relating to the management responses in findings #1, 4, 5, 6 and 7.

Although, the Office of Internal Audit strives to make valuable recommendations for which management will implement processes to address, there may be instances for which management has decided to accept the risks associated with not implementing a recommendation.

### FINDINGS, RECOMMENDATIONS, AND MANAGEMENT'S RESPONSES

#### **Finding 1**

***A manual timekeeping process was used which included unnecessary work; ultimately caused payroll errors and impacted timekeeping records.***

*Criteria:* The FLSA does not regulate how to track time but does require employers to keep time records for personnel which reflects the hours worked on a daily basis. This information can only be located on the original paper timecards and court vouchers.

Additionally, manually entering and re-entering information is a time-consuming process and the risk of human error exists. Automated timekeeping technology can reduce the costs and human error. However, until an automated timekeeping system can be implemented, manual processes should be streamlined to reduce unnecessary manual work which would in turn reduce the risk of human errors.

The rate of  
**Error** due to  
Summary  
Sheets causing  
employees to  
be paid  
incorrectly was  
**9.4%**

*Condition:* Processing payroll for potentially 520<sup>2</sup> employees required personnel to manually capture time worked on paper timecards which supervisors summarized on paper summary sheets. The summary sheets were used to enter time into JD Edwards by the Personnel Technician. This change in process meant supervisors within each unit were re-entering time from timecards onto summary sheets, and the Personnel Technician no longer received and used timecards for entering data into JD Edwards, only summary sheets.

Manual data entry can create inaccurate data, and based on review of eight pay periods (four 28-day FLSA periods), Internal Audit identified errors of time paid and FLSA overtime paid due to transferring the information from the timecard to the summary sheet.

Timecards and court vouchers are the source documents for the Police Department's payroll processing and are required to be properly maintained in accordance with FLSA guidelines. However, not all source documents requested were provided.

Based on Internal Audit inquiry, the Finance Department had recommended keying directly from timecards into JD Edwards and eliminating the summary sheets, whereas, this may help with the numerous errors that had been occurring.

*Cause:* The Police Department manually processed paper timecards for potentially 520<sup>2</sup> employees; whereas, the electronic time and attendance system, Kronos, had not been implemented for the public safety departments. Additionally, in February 2019 the Police Department had turnover in the position who prepared the Police Department payroll, the Personnel Technician, and an alternate employee had not been trained on the manual payroll processes which brought to light the need to streamline the process by implementing summary sheets to aid in entering the data into JD Edwards for payroll processing.

Upon implementation of the summary sheets, the Police Department discontinued the practice of turning all timecards into the Personnel Technician. However, this created an environment where time could be entered onto a summary sheet that did not match the hours indicated on the reviewed and approved timecards, and time worked could also be entered onto a summary sheet without a timecard.

*Effect:* The American Payroll Association<sup>6</sup> (APA) estimates the rate of human error to be between 1% and 8% of total payroll due to traditional timecard preparation. Furthermore, the multiple forms required for timekeeping processing means a higher risk of human error that could result in payroll to be processed incorrectly and require a significant amount of re-work to correct the errors, ultimately resulting in wasted labor hours. Since manual data entry from paper based methods can be costly and impact productivity, reducing the forms required to be completed should increase the productivity in other tasks.

### **Recommendation**

The Office of Internal Audit recommends the Police Department, to include E-911, consult with the Finance Department on streamlining the manual timekeeping and payroll processes, to include eliminating the summary sheets and use timecards to enter the time and attendance into JD Edwards, with the end goal of moving towards implementing an automated time and attendance system.

### **Management's Response:**

We partially concur. Management worked with the Finance Department and obtained an updated timecard and proposed training to be provided to the police department by the end of August 2020. Management agreed with the streamlined process for payroll and the importance of accountability and oversight needed to ensure accurate and timekeeping of personnel. Management has direct the payroll technician to enter the time into JD Edwards from the employee's timecard but will continue to have supervisory personnel complete a summary sheet based. The completion of the summary sheet is also aligned with the recommendations from the Finance Department and the Audit Department to having a checklist of multiple items for supervisors to review on the timecards prior to being submitted for entry into JD Edwards. The ultimate goal of having minimal errors and within the timeline needed for the Finance Department to process payroll. The city has started the implementation of the automated time and attendance system for the police department and this has a starting timeline of September 2020.

Responsible Party: Chief Gina V. Hawkins

Implementation Date: September 1, 2020

The rate of Human Error in Timecard preparation is between **1% and 8%** total payroll

<sup>6</sup> <https://www.business2community.com/human-resources/payroll-errors-cost-money-fix-01906305>

### **Internal Audit Response:**

Management partially agreed with Internal Audits recommendation, whereas, they will discontinue using the summary sheet to enter time and attendance into JD Edwards, however, they consider the summary sheet as a means of supervisor oversight and accountability and will continue to use in that capacity. Internal Audit does not consider manually transferring payroll information from a timecard to the summary sheet a checklist for reviewing payroll. Continuing to manually create summary sheets is a time-consuming process and the risk of human error should be considered if using for supervisory oversight and accountability to ensure timecards are correct. Internal Audit continues to recommend using original source documents (timecards). In addition, supervisors do not have sufficient time between week ending and payroll processing to manually transfer data to summary sheets. To complete the process timely, there is a risk of requiring timecards to be submitted to supervisors early preventing employees from properly recording all hours worked.

Although payroll is indisputably complicated, the processes don't have to be according to the American Payroll Association<sup>7</sup> (APA); the APA recommends keeping payroll processes simple which creates efficiency and reduces the risk for error. The audit concluded a 9.4% rate of error due to summary sheets causing employee wages to be paid incorrectly. Internal audit recommends the source document, timecards, be clarified and used to provide supervisory accountability. If there is a need for further documentation, JD Edwards reporting following payroll processing should be considered. Therefore, by continuing the requirement of summary sheets, Police Department management accepts the risks associated to include: human error in manually transferring data from time cards preventing the goal of supervisor oversight and accountability, and a risk of employees turning timecards in early to allow sufficient time for summary sheet creation resulting in miscalculated employee wages and potential Department of Labor violations.

### **Finding 2**

***Paper timekeeping forms lacked clarity causing payroll processing errors.***

***Criteria:*** Standardized timekeeping forms should be used that have the ability to calculate hours based on procedures, and sufficiently capture all time worked to include court time, compensatory time and overtime earned, and any leave taken. Employee and supervisor signatures, to include date signed, should be required.

***Condition:*** The paper timecards and summary sheets utilized by Police Department personnel were not clear on the type of pay being requested (i.e. paid overtime versus compensation accrued). In addition, these forms did not calculate all the hours. Instead, personnel used the remarks section which could be overlooked or overstate/understate totals hours for the week due to these hours not being included in the total hour's calculation.

***Cause:*** The Police Department created timecards and summary sheets without guidance from the Finance Department Payroll Division.

Furthermore, timecards and summary sheets were not dated and did not indicate if it was revised; therefore, when multiple timecards and summaries were provided, Internal Audit was not able to validate what timecard should have been used to pay the employee.

***Effect:*** A manual, paper-based, timekeeping process increases the risk of personnel fraudulently recording time without a proper supervisory review. In addition, the risk of payroll errors is increased when the timecards do not capture and calculate all time worked correctly.

### **Recommendation**

The Office of Internal Audit recommends management, to include E-911:

1. Require employee and supervisor signatures, and dates signed on all timekeeping forms; and

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<sup>7</sup> <https://www.americanpayroll.org/news-resources/apa-news/news-detail/2019/10/31/7-best-practices-tips-to-streamline-processes-avoid-errors>

2. Consult with the Finance Department to create department-wide standardized timekeeping forms that at a minimum capture all time worked to include court time, compensatory time and overtime earned, scheduled hours and leave taken. This change will ensure consistency of documentation supporting timekeeping within the department. If the department deviates from approved standardized timekeeping forms, authorization should be obtained from the Finance Department.

**Management's Response:**

We concur. Management is in full agreement with the recommendation. The Finance Department created an updated timecard and training should be implemented by the end of August 2020.

Responsible Party: Chief Gina V. Hawkins

Implementation Date: September 1, 2020

**Finding 3**

***Processing hours worked in the incorrect 28-day FLSA period caused errors in pay.***

*Criteria:* Timecards should be submitted and processed after all hours have been worked for the pay period. However, if a revised timecard is required, revised hours should be entered in the FLSA 28-day period that the hours were worked. If a revised timecard is required and the revised hours cannot be entered in the FLSA 28-day period the hours were worked, then the revised hours must be processed in a way that will not affect the current 28-day period and will accurately reflect any FLSA 207 (k) overtime payment for the 28-day period the hours were worked.

*Condition:* Timecards requiring revisions were a common trend during the audit period for on-call personnel, whereas, submitting time worked was required to be completed before the end of the workweek and did not reflect potential hours worked outside of the employees scheduled work hours. Based on Internal Audit inquiry and observations, most timecards were submitted to supervisors on Thursdays, as revisions to timecards were generally for hours worked from Friday to Sunday.

Revised timecards with work hours not submitted and processed within the correct FLSA period often resulted in incorrect payments of FLSA 207 (k) overtime to law enforcement personnel (sworn/non-exempt).

*Cause:* Summary sheets were due to the Personnel Technician for payroll preparation on the Monday following the end of the pay period. Therefore, timecards were required to be completed and submitted to supervisors before all scheduled work hours were completed. Any deviation from the scheduled hours would need to be submitted on a revised timecard and timely submitted for payroll processing in the pay period the hours were worked.

FLSA allows public employers to base overtime eligibility for law enforcement personnel on a 28-day period rather than a 40-hour workweek. Personnel engaged in law enforcement activities should receive compensation at the overtime rate after working 171 hours over a 28-day period. The established process was for sworn/non-exempt personnel to enter prior period work hours in the current 28-day period without consideration for whether this would cause incorrect payments of FLSA 207 (k) overtime. Based on Internal Audit inquiry, Finance Department personnel were not aware the current process for making prior period revisions was causing FLSA 207 (k) overtime payment errors.

*Effect:* These prior period work hours resulted in incorrect payment of FLSA 207 (k) overtime to employees.

**Recommendation**

The Office of Internal Audit recommends management:

1. Require timecards be submitted only after all hours have been worked for the pay period; and

2. Coordinate with the Finance Department to implement a process that will ensure FLSA 207 (k) overtime is paid correctly for all prior period work hours.

**Management’s Response:**

We concur. Management is in full agreement with the recommendation. Management changed the submission due dates of all timecards in the first quarter of 2020 when issues were presented. Although there may be more corrections due to call-in or incidents when personnel have to come in after the time has been forwarded to the payroll technician, every effort will be made to submit time and not project time. The police department has been working with the I.T. Department and the Finance Department on the implementation of the automated time and attendance system in order to make this recommendation work efficiently. Management has coordinated with the Finance Department and the Finance Department has advised they are working on implementing a process to ensure corrections for prior period work are accurate and in accordance with the 207 (k) rule. The police department is unable to ensure the FLSA 207 (k) is implement but have already discussed this with Finance.

Responsible Party: Chief Gina V. Hawkins

Implementation Date: September 1, 2020

**Finding 4**

***Payroll authorization reports from JD Edwards were not reviewed to timecards.***

Criteria: The timekeeping and payroll process should start with employees completing timecards for the recent two week period and submitting for supervisory approval. Most often approval is performed by the employee’s immediate supervisor. The approved hard copy of the timecard is then provided to the Personnel Technician for the time worked to be entered into JD Edwards. Following the input of all payroll entries into JD Edwards a review should be completed, including comparing the JD Edwards payroll authorization reports to the payroll source documents, timecards, by personnel independent of the payroll process to verify accurate and complete processing.

Condition: Internal Audit’s evaluation over the timekeeping and payroll processes indicated the JD Edwards payroll authorization reports were not reviewed to the payroll source documents to ensure accurate and complete processing which resulted in keying errors causing wages paid to personnel to be incorrect.

57 time entry Errors within 6 pay periods were not identified due to improper Departmental review

Based on Internal Audit inquiry, time entry errors were found by the Finance Department when summary sheets were reviewed to JD Edwards data. The Finance Department provided a recommendation that stated, “Creation of reconciliation/review process to make sure the information is accurate”.

Additionally, Police Department Procedure, Personnel and Payroll 10.2 stated, “Upon completion of the payroll authorization the Personnel Technician will submit the payroll authorization to the Chief of Police, Assistant Chiefs or another designated Commander for review and signature.” However, this written procedure does not address the payroll authorization reports should be reviewed against the

payroll source documents.

Cause: The Police Department did not have personnel with the expertise in business processes and internal controls to assist in developing, implementing and evaluating the necessary payroll controls to improve efficiency and ensure compliance with applicable laws.

Effect: Without proper internal controls of consistently reviewing the payroll authorization reports to the source documents for accuracy, employees’ wages could be paid incorrectly.

### **Recommendation**

The Police Department, to include E-911, should ensure a qualified independent employee, with a complete understanding of payroll, consistently review, every payroll period, all JD Edward payroll authorization reports back to the source documents (timecards) before payroll is submitted to the Finance Department Payroll Division for processing. Operating Procedure 10.2 Personnel and Payroll should be updated accordingly.

### **Management's Response:**

We concur with reservations. Management is in agreement with the recommendation, but there are circumstances that could affect its implementation which have to be resolved. The department has existing personnel which have been trained and will continue to be trained on all aspects of FLSA and the City of Fayetteville Payroll Process as it is changing. The department will also ensure the supervisory staff receive training on the existing topics which has not been provided in the past. Management believe errors stem from education of all staff and will first have to depend on the training from Finance before we can determine who the secondary "independent" employee with all the qualifications listed above will be. The other issue with the recommendation is the ability to have the review completed "before payroll is submitted to the Finance Department Payroll Division for processing" will not provide the payroll technician the needed time to enter from the actual 600 timecards approximately within the allotted deadline for the Finance Department. The operational time needed for entries already required between 10-12 hours of data entry. The department will update our operating procedures after all changes once we have received the approved timecards and processes from the Finance Department on procedures and documented processes which will be made.

Responsible Party: Chief Gina V. Hawkins

Implementation Date: September 1, 2020

### **Internal Audit Response:**

Although management concurred with Internal Audit's recommendation with reservations, the Police Department is not implementing Internal Audit's recommendation. Based on management's response, payroll deadlines prevent the Police Department from performing a review before payroll is submitted for processing as recommended. However, management should consider requiring administrative staff, who with proper training, could provide assistance every other Monday to assist with reviewing payroll documents. The recommendation provided is an essential preventative control that should be implemented. Therefore, by not implementing Internal Audit's recommendation, Police Department management accepts the risk associated, which include incorrect processing of payroll, employee wages miscalculated and paid incorrectly, and potential Department of Labor violations.

### **Finding 5**

***Payroll departmental operating procedures required updating to ensure FLSA compliance and clear guidance for all personnel.***

#### **Criteria:**

1. The FLSA established requirements for payroll record keeping and compensating non-exempt employees for all time worked.
  - a. The FLSA does not regulate how to track employee time but does require employers to keep time records for employees, to include documents that reflect hours worked on a daily basis.
  - b. Additionally, the FLSA provides principles which apply in determining whether time spent in travel is compensable time. However, all time worked when attending required training is considered hours worked for non-exempt employees.
2. Supervisory approvals are one of the most critical overtime controls as it helps to ensure that overtime pay requested are hours worked by the employee. Police Department Operating Procedures 10.2, Personnel and Payroll stated, "All overtime must be approved by a supervisor."

3. According to the Government Accountability Office's Standard for Internal Control, management should periodically review policies and procedures to ensure they remain relevant.

Condition:

1. Written departmental operating procedures were not in compliance with FLSA regulations in the following areas:
  - a. "Time Entry Procedure" section 10.2.1 of Police Department Operating Procedures 10.2, Personnel and Payroll, stated, "Timecards, court vouchers and corrected timesheets will all be archived in Laserfiche." However, the operating procedures did not designate accountability for maintaining the original timekeeping and payroll records, or for ensuring all records were archived, which resulted in the inability to locate timecards and court vouchers.
  - b. "School/Training and Development" section 10.2.16 of Police Department Operating Procedures 10.2, Personnel and Payroll, implied employees were only allowed to be paid 8 hours per day or 40 hours per week for training regardless of the number of hours spent in training. However, under the FLSA, training time that did not meet specific criteria was considered hours worked, and the employee should be compensated for all hours spent in training, not just 8 hours per day or 40 hours per week. In addition, the operating procedure placed restrictions on compensation for travel based on the driving time. However, employees should be compensated for any travel time which met the FLSA principles regardless of driving time.
2. Police Department Operating Procedures 10.2, Personnel and Payroll did not provide guidance on what method supervisory approvals should be documented. Due to an inconsistent approval process, Internal Audit could not determine if employees earned compensatory time or paid overtime.
3. The Police Department's Personnel and Payroll operating procedure was last updated in 2018 and no longer reflects current procedures for earning compensatory time.

Cause:

Updates to the payroll procedures were not reviewed by subject matter experts in the Finance, Human Resource Development and Legal departments, to ensure compliance with Federal regulations.

Timecards were maintained within the respective bureau to be stored and archived, and not in a centralized location where a review for completeness could be conducted which created an inability to locate the requested documentation.

Unclear and incomplete written departmental procedures created inconsistent practices.

Effect:

1. With procedures not in compliance with FLSA regulations, potential violations of these Federal regulations could occur.
2. Without a central repository for timekeeping and payroll records, it is difficult and time consuming to review and research details of time worked.
3. Without having clear written departmental operating procedures in place that provides formal direction and guidance on specific overtime practices, abuse could occur. If the approval of overtime is left to the supervisor's discretion, employees may not have an equal opportunity for overtime payment or compensatory accrual.
4. Updated procedures help an organization retain institutional knowledge and facilitate consistency; however, when procedures do not reflect current practices an organization does not fully receive these benefits. Codifying these procedures further obligates the employee and provides the department a clearer avenue for recourse if procedures are not followed.

**Recommendation**

The Office of Internal Audit recommends management:

1. Establish a central recordkeeping location for all payroll related records and identify departmental position(s) responsible to ensure payroll records are complete and archived.



2. Review all current written departmental operating procedures related to Personnel and Payroll with the Human Resource Development Department and the City Attorney's Office to ensure compliance with the FLSA.
3. Document an approval process for overtime within the departmental operating procedures, to include a consideration for equitable treatment of overtime.
4. Update departmental operating procedures to align with current practices, to include criteria for when overtime is allowed versus earning compensatory time.

**Management's Response:**

We concur with reservations. Management is in agreement with the recommendation, but there are circumstances that could affect its implementation which have to be resolved. Management concurs with item #1 and have already uploaded previous years and template the timesheets into laserfiche. This process is being completed after all time has been entered for a pay period but before the next pay period starts by Office Assistants. For Item #2, Management will have the Police Attorney review all operating procedures related to payroll once the Finance Department has completed the updated timecards and their procedures and documented processes and ensure they align with the City of Fayetteville Policies. We will then provide the information for Human Resource Development Department for review. Management will consult with the City Manager and Human Resources regarding items #3 and #4 in order to determine if this recommendation should be a part of the City Policy in order to ensure equitable treatment of overtime, even though the sworn personnel is on the 7(k) Rule. There may be an infinite number of scenarios in which working over a prescheduled day could apply and not be considered overtime. Based on the previous response with training on FLSA 207 (k) and other FLSA to supervisory staff, the existing FLSA 207 (K) rule is clear and covers all situations when someone can be paid compensatory time versus overtime and does not need to be included in departmental operational procedures.

Responsible Party: Chief Gina V. Hawkins

Implementation Date: October 1, 2020

**Internal Audit Response:**

FLSA 207(k) exemption allows public agencies to pay overtime at a rate of time and one-half after non-exempt sworn personnel have exceeded 171 hours in a 28-day period; it does not define the approval process for accruing compensatory time versus paying overtime. The City of Fayetteville embraces many merit principles, including fair treatment, but without clearly documented procedures, personnel may not experience the same opportunity to earn paid overtime versus accruing compensatory time. Therefore, if documented procedures are not established, Police Department management is accepting the risk of potential overtime abuse, unfair treatment and inconsistencies when earning paid overtime versus accruing compensatory time.

The Police Department's Personnel and Payroll operating procedure was last updated in 2018 and no longer reflects current procedures, to include earning compensatory time. Clearly written departmental operating procedures provide institutional knowledge, formal direction and guidance, and consistent practices. Current operating procedures put restrictions on accruing and using compensatory time for both Sworn and Non-Sworn Personnel. Therefore, if operating procedures are not updated, Police Department management is accepting the risk of departmental personnel unable to follow current guidelines for compensatory time.

**Finding 6**

***Comprehensive training was not provided to personnel involved in the timekeeping and payroll process.***

***Criteria:*** Training personnel associated with reviewing and processing payroll should not only include how to enter time, and pulling associated payroll and leave reports using JD Edwards, but training should also emphasize how to calculate and ensure time reported is accurate, and enforce all applicable guidelines<sup>4</sup>. Additionally, due to the complex payroll processes and the expertise needed to ensure internal controls are

maintained within the process, the Personnel Technician position should report to a position with necessary experience and knowledge.

*Condition:* City personnel involved in the Police Department's payroll process lacked a thorough understanding of all applicable guidelines<sup>4</sup>.

In addition, when new timekeeping forms were implemented, clear procedures were not established to ensure hours worked were clearly and consistently entered into JD Edwards. Without clear and consistent written procedures in place, Police Department personnel could not be adequately trained on the new processes. This combined with the fact that the payroll process is an essential function and the Department did not have an alternate employee cross trained on processing the entire Department's payroll, created an environment where errors were inevitable.

**Error Rates**  
during Employee  
Transition Period  
**9.3%** keying  
errors  
**26.7%** unable to  
audit - lack of  
valid  
documentation

*Cause:* The Personnel Technician was considered to be 'data entry' only and entered time from summary sheets and not the source documents, timecards. In addition, the Personnel Technician was not supervised by a position with expertise in FLSA compliance related to timekeeping and payroll to be able to review and provide guidance to the Personnel Technician to ensure personnel were being paid correctly.

*Effect:* Without proper training, payroll data cannot be relied on and the City risks noncompliance with the FLSA. Additionally, failure to track time accurately can lead to personnel being paid inaccurately and create re-work which impacts efficiencies.

### **Recommendation**

The Office of Internal Audit recommends:

#### **Police Department:**

1. Management consider creating and hiring an accounting manager position with the expertise in business processes and internal controls to oversee the Personnel Technician position and assist in developing, implementing and evaluating the necessary payroll controls to improve efficiency and ensure compliance with applicable guidelines<sup>4</sup>. Although additional personnel is costly, the City could be fined for FLSA violations and due to the Department's payroll expenditures for Fiscal year ending 2019 of \$40.1 million, the fines could be costly.
2. Management needs to ensure the Personnel Technician and an alternate employee are thoroughly trained and have a clear understanding of all applicable guidelines<sup>4</sup>.

#### **Finance Department:**

1. Management should coordinate with the Human Resource Development Department to develop comprehensive timekeeping and payroll training. The training should include applicable FLSA regulations, City policy and procedure manuals, and how to process time and attendance for payroll purposes.
2. Management should ensure all payroll preparer and reviewers take training developed prior to assuming the respective duties and should be required to take a refresher training annually.
3. Management should coordinate with the Human Resources Development Department to provide the Police Department training on timekeeping and FLSA 207 (k) overtime. Training for new employees should be a part of on-boarding and provided by a qualified employee.
4. Management should designate funding for the payroll supervisor to obtain a Payroll Certification and allow the payroll supervisor to obtain this certification.

### **Management's Response:**

#### **Police Department:**

We concur with reservation. Management is in agreement with the recommendation, but there are circumstances that could affect its implementation which have to be resolved. The police department has

submitted a new initiative for a position which will cover more than just the recommendation listed as an accounting manager but cannot control if this position will be approved. The position will ensure the business aspect of the police department has continuity for long term overall efficiency. Management has requested Finance provide training for any and all employees who have access to JDE before the receive approval rights into the system. Once this training has occurred management will determine who would be the possible alternate employee. This training should include a documented manual for the training for the employee to reference.

Responsible Party: Chief Gina V. Hawkins

Implementation Date: December 1, 2020

**Finance Department:**

1. We concur. Management is in full agreement with the recommendation. It should be the priority of the City to provide up-to-date and timely training especially in payroll processing. Training will help ensure best practices and procedures.
2. We concur. Management is in full agreement with the recommendation. Finance will work with the departments as new payroll preparers are brought on-line to ensure the preparers have initial training. Furthermore a refresher course will be created and disseminated in an efficient manner.
3. We concur. Management is in full agreement with the recommendation. Finance will collaborate with HRD to provide training on timekeeping and FLSA 207 (k) overtime and an on-boarding process to train new employees.
4. We concur. Management is in full agreement with the recommendation. Finance will look at the budgeting process to earmark funds for certification.

Responsible Party: Jay Toland, Chief Financial Officer

Implementation Date: December 1, 2020

**Internal Audit Response:**

Internal Audit recognizes that the Police Department is required to follow an approval process when creating new positions which includes availability of funding. However, the payroll technician position currently reports to a position held by a Police Major, whose expertise primarily lies in law enforcement and not FMLA compliance (payroll and timekeeping). Without having proper oversight of payroll by an employee with the expertise in applicable payroll guidelines, to include internal controls, Police Department management is accepting the risk of potential FLSA violations.

**Finding 7**

***Processing timecards for law enforcement personnel on a 2-week basis would improve efficiency.***

***Criteria:*** FLSA guidelines allow law enforcement personnel to follow a 28-day period; therefore, their time can be entered into JD Edwards on a 2-week basis instead of a 1-week basis to improve the efficiency of the process and the Department's ability to manage overtime more effectively. However, time worked for non-exempt/non-sworn personnel should be maintained on weekly timecards and entered on a 1-week basis.

***Condition:*** Payroll was processed every 2-weeks into JD Edwards but was recorded on a weekly basis, and overtime hours were reflected as if each week of the 2-week pay period was independent of the other. Prior to the conclusion of the 2-week pay period, officers recorded regular overtime on timecards for working beyond normal scheduled hours for backfilling, special events or attending training. However, when the officer did not work their scheduled hours due to flexing or using leave time during the pay period, and their timecard still reflected previously recorded overtime, it caused confusion when processing the timecard.

Cause: In January 2019, patrol officers' schedules changed to 12 hour shifts with 24 hours scheduled one week and 60 hours scheduled the next week, for a total of 84 hours in a pay period. With this schedule change the patrol officers began using 2-week timecards. This change in schedules caused confusion about how the time should be entered into JD Edwards; whereas, with the previous schedules 40 hours was entered for each week in the 2-week pay period. However, with the new schedules entering 40 hours per workweek did not accurately reflect what was actually worked.

Effect: Inconsistent tracking of time worked caused FLSA violations; whereas, incorrect wages paid to employees were identified and hours input into JD Edwards did not match the hours indicated on the timecard.

### **Recommendation**

The Office of Internal Audit recommends management collaborate with the Finance Department on the current timekeeping and payroll processes to improve the efficiency which should reduce the errors of employee wages and ensure hours worked are accurately and consistently documented in JD Edwards as reflected on timecards. However, time worked for non-exempt/non-sworn personnel should be maintained on weekly timecards and entered on a 1-week basis.

### **Management's Response:**

We partially concur. As previously mentioned Finance created updated timecard and will be providing training. Management does not agree with non-sworn timecards entering time on a 1 week basis. The supervisory staff who will be approving the timecards will be trained on the process and will need a consistent training manual to review for all personnel. The updated timecards provided by Finance calculate time appropriately based on sworn or non-sworn personnel. The automated system will also have time submitted for on a bi-weekly basis for approval.

Responsible Party: Chief Gina V. Hawkins

Implementation Date: September 1, 2020

### **Internal Audit Response:**

The City of Fayetteville operates on a bi-weekly pay schedule where the pay period begins on Monday and closes on Sunday, two weeks later. Time is tracked and approved based on a 40-hour work week for all non-sworn personnel. Therefore, time worked for non-exempt/non-sworn personnel should be maintained on weekly timecards and entered on a 1-week basis as these individuals do not fall under the 207(k) exemption of the Fair Labor Standards Act (FLSA). The FLSA requirements for paid overtime are calculated based on hours worked over 40 in a workweek and must be paid at a rate of time and one-half their regular rate of pay. Therefore, if non-exempt/non-sworn personnel move to a two-week timecard and bi-weekly payroll entry, Police Department management is accepting the risk of miscalculating hours worked, overtime and leave time.

### **Finding 8**

*There was no assurance exempt personnel were reporting leave time.*

Criteria: For personnel not required to track time worked, formal processes should be implemented to ensure all leave taken is reported.

Condition: Exempt departmental personnel were required to complete a timecard only when leave time was taken. However, requested leave time (sick, vacation, holiday or comp time) was not consistently documented on timecards or summary sheets. Additionally, the Department did not have a formal leave request process.

Cause: Although it was not required by the FLSA, a Police Department directive stated exempt personnel were to record leave time on a timecard. However, this directive was not incorporated into the Department's

written departmental operating procedures, and there appeared to be no accountability to ensure the directive was followed.

*Effect:* Leave used but not reported is hard to detect/uncover and is a financial loss to the City.

**Recommendation**

The Office of Internal Audit recommends the Police Department, to include E-911, consult with the Human Resources Department on a formal leave request process to ensure leave time is reported. Although an automated time and attendance is being implemented, consequences for non-compliance should be clearly defined in written departmental operating procedures.

**Management's Response:**

We concur. Management is in full agreement with the recommendation. Management will consult with the Human Resource Department to obtain how all other City of Fayetteville departments which are not on an automated system submit their formal leave request. In the meantime the department has already created a formal leave request form and ensure it is included in the department's operational process and coincides with City Policy.

Responsible Party: Chief Gina V. Hawkins

Implementation Date: June 1, 2020

***CONCLUSION***

Internal Audit has concluded work on the audit of the Police Department's payroll. Since a paper timekeeping process has to be used until the electronic timekeeping system can be implemented, the Police Department payroll process needs to be updated and streamlined to ensure Police Department personnel are paid accurately and timely. In order to accomplish this, the Police Department needs to collaborate with the Finance and Human Resource Development Departments and the City Attorney's Office on any timekeeping and payroll process changes to ensure all applicable guidelines<sup>4</sup> are followed. In addition, personnel involved in the timekeeping and payroll process should be thoroughly trained on all applicable guidelines<sup>4</sup> related to the process to include the FLSA.

Although the management responses are included in the audit report, Internal Audit does not take responsibility for the sufficiency of these responses or the effective implementation of any corrective actions.

Internal Audit would like to thank Department personnel for their assistance and numerous courtesies extended during the completion of this audit.

*Signature on File*

Elizabeth H. Somerindyke  
Director of Internal Audit

*Signature on File*

Rose Rasmussen  
Senior Internal Auditor

*Signature on File*

Amanda Rich  
Internal Auditor

**Distribution:**

Audit Committee  
Douglas J. Hewett, City Manager  
Telly Whitfield, Ph.D., Assistant City Manager  
Karen M. McDonald, City Attorney  
Gina V. Hawkins, Police Chief

Jay Toland, Chief Financial Officer  
Erica Hoggard, Assistant Human Resource Development Director

DRAFT



**MEMORANDUM**

August 6, 2020

TO: Audit Committee Members

FROM: Elizabeth Somerindyke, Internal Audit Director

RE: Quarterly Management Implementation Status Report

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**PURPOSE OF REPORT**

The attached report provides members of the Audit Committee with an update on the progress of management’s implementation of recommendations made by the Office of Internal Audit. Departmental management updates will be provided quarterly at each regularly scheduled Audit Committee Meeting.

The short summary of the progress updates is provided to allow a quick assessment for all recommendations. The attached report represents updates given by management on the progress made to implement Internal Audit’s recommendations. Except as otherwise noted, no assessment on the progress of the recommendations has been performed by the Office of Internal Audit.

We welcome any questions, suggestions or recommendations for improving this report to enhance your ability to monitor the effective implementation of recommendations.

**RECOMMENDATIONS**

This information will not be presented. However, we encourage Committee Members to prepare questions and comments on this report prior to the Audit Committee Meeting for discussion with departmental staff at the meeting. Staff from the Development Services; Parks, Recreation and Maintenance; Public Services; Finance; Fire, and Police Departments have been requested to virtually attend.

433 Hay Street  
Fayetteville, NC 28301-5537  
(910) 433-1672 | (910) 433-1680 Fax  
[www.cityoffayetteville.org](http://www.cityoffayetteville.org)

**Office of Internal Audit**  
**Quarterly Management Implementation Status Report**  
**Fiscal Year 2020 - 2021 (1<sup>st</sup> Quarter)**

<b>Audit Title</b>	<b>Date Released</b>	<b>Issued</b>	<b>Accepted</b>	<b>Recommendations</b>		
				<b>Implemented</b>	<b>Partially Implemented</b>	<b>Not Implemented</b>
Permitting and Inspections A2016-02	October 2016	35	35	35	0	0
Contract Practices and Procedures A2016-06	October 2017	3	3	3	0	0
Evidence and Property Management A2018-01	June 2018	37	36	35	0	1
Performances Measures A2018-04	January 2019	4	4	4	0	0
PRM Nonresident Fees A2016-05	January 2019	7	7	6	0	1
WEX Fuel Cards A2019-05	May 2019					
Police Department		21	21	21	0	0
Code Violation Enforcement and Collections A2019-06	August 2019	7	7	7	0	0
Residential Solid Waste Fees A2019-04	October 2019	5	5	1	1	3



**Office of Internal Audit**  
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**Fiscal Year 2020-2021 (1<sup>st</sup> Quarter)**

KEY	Not Implemented	Partially Implemented	Implemented	Past Implementation Date
	<b>Recommendation</b>	<b>Management Response</b>	<b>Management Follow-up Response – August 6, 2020</b>	<b>Management Follow-up Response – April 23, 2020</b>

**A2016-02 Permitting and Inspections**

1	<p>Permitting and Inspections management should perform a self-assessment of internal controls. Once risk areas are identified, steps should be taken to correct control deficiencies so departmental objectives are achieved and departmental responsibilities are met. Identifying risks and implementing control procedures will not protect assets and produce reliable information if personnel are not following established procedures. To ensure that controls are effective, Permitting and Inspections management should regularly review available documentation to confirm controls are being executed as designed. All documentation should be reviewed and signed off on by a supervisor to ensure completeness and accuracy. In addition, the self-assessment of internal controls should be performed periodically to address additional control deficiencies as they arise.</p>	<p>Workflow processes will be mapped and application-specific permitting procedures will be identified and placed in a checklist format that will be included in a manual of standard operating procedures. Weekly testing by the Building Official, Inspection Supervisors, and the Senior Administrative Assistant will be conducted and documented to identify any risk areas and to correct control deficiencies. Follow-up training will be provided in areas where control problems are identified.</p> <p><i>As it relates to the deficiencies that address the Cityworks PLL software, the City Manager has authorized a project assessment to evaluate the current state of Cityworks and make recommendations on whether to continue implementation and refinement efforts or seek another PLL solution. Until the assessment is completed, only issues already identified as a part of Permitting and Inspections and Information</i></p>	<p><b>Implemented</b></p> <p>Findings #1 and #2 are considered by management to be the capstone of the internal audit reconciliation program, as these two findings culminate the requirements for internal policies/procedures, and the periodic self-assessment.</p> <p><b>Implementation Date: 10/1/2018</b></p>	<p><b>Implemented</b></p> <p>Findings #1 and #2 are considered by management to be the capstone of the internal audit reconciliation program, as these two findings culminate the requirements for internal policies/procedures, and the periodic self-assessment.</p> <p><b>Implementation Date: 10/1/2018</b></p>
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**Office of Internal Audit**  
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**A2016-02 Permitting and Inspections**

		<p><i>Technology's project priority list will be completed. All other efforts to refine Cityworks will be discontinued.</i></p> <p><b>Responsible Party:</b> Building Official; Senior Administrative Assistant</p> <p><b>Implementation Date:</b> 6/30/2017</p>		
2	<p>Written policies for the Permitting and Inspections Department should be developed to set forth requirements; to ensure consistency and reliability of information; provide adherence to laws and regulations, and include provisions for performance measure collection, calculation, review and reporting. The procedures should be updated and include sufficient information to allow an individual who is unfamiliar with the operations to perform the necessary activities. Policies and procedures should be revised to account for any changes in business processes. This is particularly important when new</p>	<p>A comprehensive review of the existing Standard Operating Procedures for both the Permitting and Inspections divisions is currently underway because of major adjustments to procedures and work flows resulting from a substantial effort to simplify procedures and to more fully implement Cityworks, including the scheduling and online permit application functions. Upon completion of the review and revisions, each division's procedural manuals will include step-by-step instructions and resources in order for existing and new staff to effectively perform their daily</p>	<p><b>Implemented</b></p> <p>Findings #1 and #2 are considered by management to be the capstone of the internal audit reconciliation program, as these two findings culminate the requirements for internal policies/procedures, and the periodic self-assessment.</p> <p><b>Implementation Date:</b> <b>10/1/2018</b></p>	<p><b>Implemented</b></p> <p>Findings #1 and #2 are considered by management to be the capstone of the internal audit reconciliation program, as these two findings culminate the requirements for internal policies/procedures, and the periodic self-assessment.</p> <p><b>Implementation Date:</b> <b>10/1/2018</b></p>

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**A2016-02 Permitting and Inspections**

	<p>systems are developed and implemented or other organizational changes occur.</p>	<p>functions. This effort will take some time as it will require coordination with two vendors, in addition to multiple departments. Similarly, departmental policies will be developed in conjunction with this effort to govern issues identified in this Compliance Audit in Recommendations 1, 3 7, 9, 16, 20, 22, 26, 29, 31 and 32.</p> <p>The ultimate plan will be to expand this initiative to the inter-departmental level, with policies and procedures in place in order to provide consistent and positive customer service that is seamless across departmental lines. This will be pursued after the development of department policies and procedures and is not considered a direct response to this Audit.</p> <p><i>As it relates to the deficiencies that address the Cityworks PLL software, the City Manager has authorized a project assessment to evaluate the current state of Cityworks and make</i></p>		
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**Office of Internal Audit**  
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**A2016-02 Permitting and Inspections**

		<p><i>recommendations on whether to continue implementation and refinement efforts or seek another PLL solution. Until the assessment is completed, only issues already identified as a part of Permitting and Inspections and Information Technology's project priority list will be completed. All other efforts to refine Cityworks will be discontinued.</i></p> <p><b>Responsible Party:</b> Senior Administrative Assistant (for Permitting); Building Official (for Inspections)</p> <p><b>Implementation Date:</b> 6/30/2017</p>		
3	Permitting and Inspections management should take specific measures to comply with records retention rules as governed by North Carolina General Statutes, North Carolina State Building Code; North Carolina Department of Cultural Resources Records Retention and Disposition Schedule, Fayetteville City Code,	A departmental policy has been drafted to provide clear guidance to all staff members with regard to relevant records retention matters. Documentation of records retention will be consistent with State law and City policy and will be managed by the Senior Administrative Assistant. Permission to utilize digital records as the primary method of retaining	<p><b>Implemented</b></p> <p>Our current operating practices have been revised and a department-specific records policy has been developed.</p> <p><b>Implementation Date:</b> <b>10/1/2018</b></p>	<p><b>Implemented</b></p> <p>Our current operating practices have been revised and a department-specific records policy has been developed.</p> <p><b>Implementation Date:</b> <b>10/1/2018</b></p>

**Office of Internal Audit  
Quarterly Management Implementation Status Report  
Fiscal Year 2020-2021 (1<sup>st</sup> Quarter)**

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**A2016-02 Permitting and Inspections**

	<p>and City of Fayetteville Policies. Procedures should be outlined for retaining all supporting documentation and where the documentation will be kept taking into account records retention rules. Cityworks electronic files should be updated to include all available documentation not yet attached to a permit file within the system.</p>	<p>documents for building permit applications, building permits, construction plans, and associated correspondence will be sought from the NC Division of Cultural Affairs. Assuming permission is granted, hardcopy applications, plans, and correspondence will be retained in Permitting and Inspections Department files until testing confirms the security and accessibility of digital records in the Cityworks system and/or the records retention dates are exceeded.</p> <p>If permission is not granted by the NC Division of Cultural Affairs for digital records retention, hardcopy files will be retained in Permitting and Inspections Department files or in remote file storage in accordance with departmental policy.</p> <p><i>As it relates to the deficiencies that address the Cityworks PLL software, the City Manager has authorized a project assessment to evaluate the current state of Cityworks and make</i></p>		
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**A2016-02 Permitting and Inspections**

		<p><i>recommendations on whether to continue implementation and refinement efforts or seek another PLL solution. Until the assessment is completed, only issues already identified as a part of Permitting and Inspections and Information Technology's project priority list will be completed. All other efforts to refine Cityworks will be discontinued.</i></p> <p><b>Responsible Party:</b> Senior Administrative Assistant</p> <p><b>Implementation Date:</b> 6/30/2017</p>		
4	To ensure compliance with the Fayetteville City Code, senior management should consider reorganizing the structure of the Permitting and Inspection and the Planning Services and Code Enforcement Departments so the Permitting and Inspections Director oversees all matters related to interpretation and enforcement of North Carolina State Building Code, to include (if applicable)	The NC Building Code must be interpreted by someone certified to perform such interpretations, but this training may not qualify the individual to manage the enforcement of City codes regarding code enforcement and zoning. We believe it is imperative that the management of these related functions should be centralized to enhance customer service but such centralization may not be best	<b>Implemented</b>  As of 8/31/2017, this recommendation has been fully implemented.	<b>Implemented</b>  As of 8/31/2017, this recommendation has been fully implemented.

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<b>A2016-02 Permitting and Inspections</b>				
	zoning, building plan review, permits, inspections and code enforcement, as provided in the Fayetteville City Code.	<p>handled through the structure proposed by Internal Audit due to the complex nature of the various laws and codes. Once a determination is made regarding reorganization, the PCE Director will take responsibility for amending the City Code as needed to reflect the organizational structure as necessary.</p> <p>As of November 15, 2016, departmental personnel will coordinate all NC Building Codes through the City’s Building Official. A review of the City’s entire development review process will be conducted on the organizational structure and an implementation of the recommendation is anticipated to be completed in early 2017 with the FY18 budget.</p> <p><b>Responsible Party:</b> City Manager</p> <p><b>Implementation Date:</b> 6/30/2017</p>		
5	Permitting and Inspections personnel should ensure	The City Code provides for a requirement that is no longer	<b>Implemented</b>	<b>Implemented</b>

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**A2016-02 Permitting and Inspections**

	<p>compliance with the Fayetteville City Code Chapter 7, Building Code, Part II, Article III Enforcement, Section 7-62(a)(1) Permits Required, by requiring a bond be posted at the time of demolition permit application. Additionally, the City Code should be updated to define the amount of the bond, whereas; currently the amount is defined as “good and sufficient”.</p> <p>However, if Permitting and Inspections management determine bonding requirements for demolition permits are not required as provided in the Fayetteville City Code Chapter 7, Building Code, Part II, Article III Enforcement, Section 7-62(a)(1) Permits Required, then the Fayetteville City Code should be updated to reflect current requirements.</p>	<p>generally needed. Small-scale demolitions are currently managed through contracts that require the contractor to carry liability insurance sufficient to cover any claims that result. We will propose revising the City Code to delete the bonding requirements except in unusual circumstances, such as where the structure to be demolished shares a common wall with another structure or for larger projects that go through the formal bid process.</p> <p><b>Responsible Party:</b> Planning and Code Enforcement Director</p> <p><b>Implementation Date:</b> 4/30/2017</p>	<p>Our internal processes and ordinances have been and are currently being modified to reflect the change in the code of ordinances.</p> <p>To limit the individual discretion to the maximum limit as possible, an internal policy has been developed to provide guidance on when bonds (in general) may be required.</p>	<p>Our internal processes and ordinances have been and are currently being modified to reflect the change in the code of ordinances.</p> <p>To limit the individual discretion to the maximum limit as possible, an internal policy has being developed to provide guidance on when bonds (in general) may be required.</p>
6	<p>Internal Audit recommends the Permitting and Inspections Department work with the Information Technology</p>	<p>While report creation is part of the Information Technology Department’s top priorities for Cityworks “fixes,” locking out the</p>	<p><b>Implemented</b></p> <p>The process-related component of this finding has been revised</p>	<p><b>Implemented</b></p> <p>The process-related component of this finding has been revised</p>



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**A2016-02 Permitting and Inspections**

	<p>Department to develop and implement a process to ensure certificates of occupancy/compliance are not issued prior to all inspections being documented as finalized. Permitting and Inspections management should also streamline and automate documentation for certificate of occupancy and certificate of compliance and encourage appropriate utilization of automated resources to promote efficiency and accountability in the inspection approval process for temporary and final certificates of occupancy and certificates of compliance.</p>	<p>report is a customization that will require additional funding to complete. Information Technology has completed the process of watermarking the reports in question with a watermark that says INVALID if the report is printed before all the required inspections, payments, or documents are completed.</p> <p><i>As it relates to the deficiencies that address the Cityworks PLL software, the City Manager has authorized a project assessment to evaluate the current state of Cityworks and make recommendations on whether to continue implementation and refinement efforts or seek another PLL solution. Until the assessment is completed, only issues already identified as a part of Permitting and Inspections and Information Technology's project priority list will be completed. All other efforts to refine Cityworks will be discontinued.</i></p>	<p>with the marking of all invalid permits.</p> <p>The procedural component has been implemented by development of a policy on how staff is to mitigate permits that have expired or are invalid.</p>	<p>with the marking of all invalid permits.</p> <p>The procedural component has been implemented by development of a policy on how staff is to mitigate permits that have expired or are invalid.</p>
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**A2016-02 Permitting and Inspections**

		<p><b>Responsible Party:</b> Information Technology Information Manager</p> <p><b>Implementation Date:</b> 11/30/2016 (workaround) TBD ultimate resolution</p>		
7	<p>The Permitting and Inspections Department should ensure compliance with North Carolina General Statutes and the North Carolina State Building Code and create formal procedures for the certificate of compliance and certificate of occupancy process.</p>	<p>Management has reached out to the Supervisor of the Code Inspections Section of the Department of Insurance for clarification on this finding. Section 204.8 Certificate of Compliance of the Administration Code gives a guideline for issuing Certificates of Compliance and Certificates of Occupancy. The Inspections Department is meeting all requirements for the issuance of Certificate of Compliance for Electrical, Mechanical, and Plumbing by issuing a final sticker notice that is placed at the jobsite. We also meet the requirements for the issuance of the Certificate of Occupancy for the Building trade. The referenced General Statute was written in 1993 whereas the referenced code sections are updated every three years.</p>	<p style="text-align: center;"><b>Implemented</b></p> <p>While this recommendation was implemented by verification with the North Carolina Department of Insurance, the recent organizational change has led us to re-examine the issuance of C/O's and other types of occupancy allowances.</p> <p>Internal policies have been developed and re-designed to incorporate the revised development process and system.</p> <p style="text-align: center;"><b>Completion Date: 10/1/2018</b></p>	<p style="text-align: center;"><b>Implemented</b></p> <p>While this recommendation was implemented by verification with the North Carolina Department of Insurance, the recent organizational change has led us to re-examine the issuance of C/O's and other types of occupancy allowances.</p> <p>Internal policies have been developed and re-designed to incorporate the revised development process and system.</p> <p style="text-align: center;"><b>Completion Date: 10/1/2018</b></p>

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**A2016-02 Permitting and Inspections**

		<p><b>Responsible Party:</b> Building Official</p> <p><b>Implementation Date:</b> 10/5/2016</p>		
8	Update enforcement actions within Fayetteville City Code to ensure contractors comply with the North Carolina State Building Code.	<p>Management will recommend to the City Council that the City Code be revised to eliminate this section since privilege licenses are no longer required. The Inspections Department uses Section 204.10 Stop Work Orders of the Administration Code to ensure the contractors comply with the Building Code.</p> <p><b>Responsible Party:</b> Planning and Code Enforcement Director</p> <p><b>Implementation Date:</b> 4/30/2017</p>	<b>Implemented</b>	<b>Implemented</b>
9	Testing performed by Internal Audit in Cityworks revealed deficiencies, whereas, there were areas where Internal Audit was not able to determine compliance with laws and regulations. Therefore, Permitting and Inspections management should consider having a specialized audit of the Cityworks software to ensure the	<p>While a number of the aspects of this finding have been addressed, the Permitting and Inspections Department will seek assistance from the Information Technology department in order to fulfill this recommendation in its totality. In particular, Information Technology will work with all PLL user areas and Internal Audit Staff to ensure</p>	<b>Implemented</b>	<b>Implemented</b>
			<p>This recommendation was implemented on 5/8/17.</p> <p>9-3: Cityworks and Timmons Group were on-site on June 24th, 2019 to discuss with Internal Audit, Information</p>	<p>This recommendation was implemented on 5/8/17.</p> <p>9-3: Cityworks and Timmons Group were on-site on June 24th, 2019 to discuss with Internal Audit, Information</p>

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**A2016-02 Permitting and Inspections**

	<p>deficiencies revealed in Cityworks are remedied and will provide an adequate level of control, ensure processes are put in place to address controls in which Cityworks is unable to perform, and the software is utilized to its maximum efficiency.</p> <p>The Office of Internal Audit recommends Permitting and Inspections management review the permitting and inspections process to determine key personnel who will have the ability to override the Cityworks system setup by adding, modifying and deleting fees, inspections and permits within Cityworks. Prior to developing and implementing a process related to access controls, Permitting and Inspections management should assess Cityworks setup related to Permitting and Inspection fees and inspection workflows to ensure consistency with current practice while taking compliance to North</p>	<p>that the necessary controls and permissions are in place.</p> <p><i>As it relates to the deficiencies that address the Cityworks PLL software, the City Manager has authorized a project assessment to evaluate the current state of Cityworks and make recommendations on whether to continue implementation and refinement efforts or seek another PLL solution. Until the assessment is completed, only issues already identified as a part of Permitting and Inspections and Information Technology's project priority list will be completed. All other efforts to refine Cityworks will be discontinued.</i></p> <p><b>Responsible Party:</b> Senior Administrative Assistant (for Permitting); Building Official (for Inspections); PCE Director (for code changes); Information Technology Director; Assistant and Deputy City Manager</p>	<p>Technology and Development Services the implementation of the findings presented in the Permitting and Inspections Audit report, dated October 2016. The below outlines the status of implementing the inspector scheduling feature within Cityworks:</p> <ul style="list-style-type: none"> <li>• The City's Information Technology Department in conjunction with Timmons Group is working through completing the implementation of the on-line scheduling using the Timmons Group portal;</li> <li>• Cityworks offered new applications (Workload and Respond) to improve the scheduling function, whereas, the scheduling function through Cityworks is not being upgraded;</li> <li>• The Permitting and Inspection Division (P&amp;I) continue with the workaround allowing timely</li> </ul>	<p>Technology and Development Services the implementation of the findings presented in the Permitting and Inspections Audit report, dated October 2016. The below outlines the status of implementing the inspector scheduling feature within Cityworks:</p> <ul style="list-style-type: none"> <li>• The City's Information Technology Department in conjunction with Timmons Group is working through completing the implementation of the on-line scheduling using the Timmons Group portal;</li> <li>• Cityworks offered new applications (Workload and Respond) to improve the scheduling function, whereas, the scheduling function through Cityworks is not being upgraded;</li> <li>• The Permitting and Inspection Division (P&amp;I) continue with the workaround allowing timely</li> </ul>
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	<p>Carolina General Statutes, the North Carolina Building Code and the Fayetteville City Code into consideration. Alignment of the required processes with the setup in Cityworks should mean that overriding Cityworks setup by adding, modifying and deleting is an exception and not the rule.</p> <p>Permitting and Inspections management should ensure Permitting and Inspections personnel read and understand the City of Fayetteville Policy # 114 Information Technology Appropriate Usage, and stress the importance of not allowing others to use their access, and protecting all passwords. In addition, written policies and procedures should be documented on how accesses will be requested, who will approve the access and how access will be removed when it's no longer needed.</p>	<p><b>Implementation Date:</b> 6/30/2017</p>	<p>inspections as submitted in the April 25, 2019 response. P&amp;I acknowledges the resolution of CityWorks issues are not within their authority as an end-user of the product. IT continues to work on developing an actionable scheduling function. P&amp;I is active in this effort and is not dependent upon this function of CityWorks. P&amp;I worked with IT to further develop the workarounds to CityWorks by establishing more phone call service for scheduling. Management accepts the limitations of the existing CityWorks programs, has found ways to not be hampered by the delayed rollout, and expresses appreciation to the IT personnel working to resolve the issues.</p>	<p>inspections as submitted in the April 25, 2019 response. P&amp;I acknowledges the resolution of CityWorks issues are not within their authority as an end-user of the product. IT continues to work on developing an actionable scheduling function. P&amp;I is active in this effort and is not dependent upon this function of CityWorks. P&amp;I worked with IT to further develop the workarounds to CityWorks by establishing more phone call service for scheduling. Management accepts the limitations of the existing CityWorks programs, has found ways to not be hampered by the delayed rollout, and expresses appreciation to the IT personnel working to resolve the issues.</p>
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**A2016-02 Permitting and Inspections**

			<b>Revised Implementation Date: 1/30/2019</b>	<b>Revised Implementation Date: 1/30/2019</b>
10	Internal Audit recommends a work quality review program be developed and an adequate number of appropriate quality reviews of all permits and inspections be conducted in a timely manner. Documented results should be maintained and utilized as measures of effectiveness during performance evaluations.	<p>The Senior Administrative Assistant will collect samples of work of a variety of permits issued by the Permitting Technicians on a quarterly basis. The reviews will be to ensure that the Permit Technicians are applying the requested work via the permit application within the generated permit issued by the technicians. The review of fees will also be observed ensuring that fee calculations are correct and applied to the proper revenue account. The Senior Administrative Assistant will also conduct monthly reviews of the cash drawers by randomly choosing dates, and times, to count down cash drawers of Permit Technicians that carry out an open cash drawer. A report of such reviews will be created to serve as backup for future auditing purposes.</p> <p>The Building Official has adjusted Inspections Supervisors workloads to allow for field-checking for work</p>	<p style="text-align: center;"><b>Implemented</b></p> <p>Our Work Quality Review Policy has been expanded to encompass the recent organizational change and will tie together other related items such as Training, Work Quality Review, and Performance Measurement.</p> <p style="text-align: center;"><b>Implementation Date: 10/1/2018</b></p>	<p style="text-align: center;"><b>Implemented</b></p> <p>Our Work Quality Review Policy has been expanded to encompass the recent organizational change and will tie together other related items such as Training, Work Quality Review, and Performance Measurement.</p> <p style="text-align: center;"><b>Implementation Date: 10/1/2018</b></p>

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		<p>performed by subordinate inspectors. Until Cityworks can be configured to track and report on these field-checks, the Building Official will instruct the Inspections Supervisors to document the inspections which have been checked in a spreadsheet format. Additionally, Inspections Supervisors are providing one-hour weekly training sessions for subordinate personnel (non-inspector personnel also attend these sessions; see management response to Recommendation 13.)</p> <p><i>As it relates to the deficiencies that address the Cityworks PLL software, the City Manager has authorized a project assessment to evaluate the current state of Cityworks and make recommendations on whether to continue implementation and refinement efforts or seek another PLL solution. Until the assessment is completed, only issues already identified as a part of Permitting and Inspections and Information</i></p>		
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**A2016-02 Permitting and Inspections**

		<p><i>Technology's project priority list will be completed. All other efforts to refine Cityworks will be discontinued.</i></p> <p><b>Responsible Party:</b> Senior Administrative Assistant (Permitting); Building Official (Inspections)</p> <p><b>Implementation Date:</b> 11/30/2017</p>		
11	<p>The Permitting and Inspections Department should establish measurable and achievable performance goals and service standards. Permitting and Inspections management should establish formal processes to collect performance information and provide adequate training to ensure accurate input of the data used to quantify each performance measure. Once appropriate performance information is available it should be used to better inform management for decision-making and should also enable the Permitting and Inspections</p>	<p>The Building Official is working with Information Technology's project manager and our Cityworks vendors to develop an accurate and efficient system for gathering reporting information. This information may require adjustment to ensure that accurate, obtainable, and reliable information is measured and that this information represents appropriate performance measurement and service standards. Once these reports are installed in Cityworks, we will be able to analyze workload efficiency and effectiveness performance measures to utilize in management and</p>	<p style="text-align: center;"><b>Implemented</b></p> <p>The department has created a policy to define what our data is, how we track our data, and how we use the data for performance measurement.</p> <p style="text-align: center;"><b>Implementation Date:</b> <b>10/1/2018</b></p>	<p style="text-align: center;"><b>Implemented</b></p> <p>The department has created a policy to define what our data is, how we track our data, and how we use the data for performance measurement.</p> <p style="text-align: center;"><b>Implementation Date:</b> <b>10/1/2018</b></p>



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	<p>Department to better manage its operations and determine the appropriate balance between service level and resources.</p>	<p>reporting. The Strategy and Performance Analytics Office will be utilized as a resource moving forward. This initiative is part of Information Technology’s priority project list.</p> <p><i>As it relates to the deficiencies that address the Cityworks PLL software, the City Manager has authorized a project assessment to evaluate the current state of Cityworks and make recommendations on whether to continue implementation and refinement efforts or seek another PLL solution. Until the assessment is completed, only issues already identified as a part of Permitting and Inspections and Information Technology’s project priority list will be completed. All other efforts to refine Cityworks will be discontinued.</i></p> <p><b>Responsible Party:</b> Senior Administrative Assistant (for Permitting); Building Official (for Inspections)</p>		
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		<b>Implementation Date:</b> 6/30/2017		
12	The Office of Internal Audit recommends Permitting and Inspections management consult with Information Technology personnel to review the impact on Cityworks regarding this instance and any other changes made by the 2015 update. Any data integrity issues should be reviewed to determine if any data needs ‘cleaned’ and fix any ‘clean up’ considered necessary.	<p>This will require a great deal of input and assistance from Information Technology.</p> <p><i>As it relates to the deficiencies that address the Cityworks PLL software, the City Manager has authorized a project assessment to evaluate the current state of Cityworks and make recommendations on whether to continue implementation and refinement efforts or seek another PLL solution. Until the assessment is completed, only issues already identified as a part of Permitting and Inspections and Information Technology’s project priority list will be completed. All other efforts to refine Cityworks will be discontinued.</i></p> <p><b>Responsible Party:</b> IT Project Manager</p> <p><b>Implementation Date:</b> 6/30/2017</p>	<b>Implemented</b>	<p>Items from the 2015 Cityworks upgrade have been repaired. Additional processes (such as the creation of a test environment and regression testing) have been developed to gauge and minimize the impacts of any future upgrades. A policy is being developed that is specific to Development Services concerning the calculation of fees and the integrity of data (as discussed in finding 11).</p> <p><b>Implementation Date:</b> 10/1/2018</p>
			<b>Implemented</b>	<p>Items from the 2015 Cityworks upgrade have been repaired. Additional processes (such as the creation of a test environment and regression testing) have been developed to gauge and minimize the impacts of any future upgrades. A policy is being developed that is specific to Development Services concerning the calculation of fees and the integrity of data (as discussed in finding 11).</p> <p><b>Implementation Date:</b> 10/1/2018</p>

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13	<p>While inspector training may be driven by certification requirements, non-inspector personnel training needs are not. Conduct a personnel training assessment and develop or provide training opportunities to meet the needs identified. Permitting and Inspections management should dedicate the appropriate resources and time to ensure proper training for department personnel. An important part of any training program includes basic product knowledge. Each member of the department should be familiar with the services offered in order to competently satisfy customer needs by providing accurate information and good customer service. Training should also include an understanding of the entire permitting and inspections process and how activities in each area of the Permitting and Inspections Department affect actions taken in other areas both within the department and across other</p>	<p>Training for non-inspector personnel will consist of the following training types, to be implemented as funding and operational considerations allow:</p> <ul style="list-style-type: none"> <li>• Annual training conducted by the Building Official regarding the administrative requirements and standards of the North Carolina Building Code.</li> <li>• Non-inspector personnel currently participate in the weekly one-hour training of inspectors by the Inspections Supervisors.</li> <li>• Periodic non-inspector personnel “ride-alongs” with inspectors to establish familiarity with the practical challenges of construction inspection from the perspective of certified inspectors.</li> <li>• Formal training in the administration of construction permitting through the Certified Permit Technician coursework developed by the NC Department of Insurance.</li> </ul>	<p><b>Implemented</b></p> <p>The department has incorporated internal training to detail training and proficiency expectations.</p> <p><b>Implementation Date: 10/1/2018</b></p>	<p><b>Implemented</b></p> <p>The department has incorporated internal training to detail training and proficiency expectations.</p> <p><b>Implementation Date: 10/1/2018</b></p>
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	<p>departments. In addition, formal training on the Cityworks software program should be instituted to provide familiarity with the system.</p>	<ul style="list-style-type: none"> <li>• Continuation of prior training in customer service “soft skills” provided by an outside consultant chosen by the Interim Department Director. In the prior training, each staff member was provided an “Inspector Skills” training guide booklet and a study guide questionnaire. Upon completion of the questionnaire, the consultant held employee training of both inspectors and permitting staff on the related materials.</li> <li>• Cityworks-specific training in the form of online courses, on-site training, and webinars offered by the software integrator and the software developer.</li> <li>• Annual review of relevant City and departmental policies conducted by the Senior Administrative Assistant.</li> <li>• Personnel from the State Licensing Board can be</li> </ul>		
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		<p>requested to provide periodic training on licensing issues.</p> <ul style="list-style-type: none"> <li>The Building Official is compiling a portfolio of photographs illustrating various inspection types that will be used to help familiarize non-inspector personnel with different inspection types.</li> </ul> <p><i>As it relates to the deficiencies that address the Cityworks PLL software, the City Manager has authorized a project assessment to evaluate the current state of Cityworks and make recommendations on whether to continue implementation and refinement efforts or seek another PLL solution. Until the assessment is completed, only issues already identified as a part of Permitting and Inspections and Information Technology's project priority list will be completed. All other efforts to refine Cityworks will be discontinued.</i></p>		
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		<p><b>Responsible Party:</b> Interim Permitting and Inspections Director</p> <p><b>Implementation Date:</b> 6/30/2017</p>		
14	<p>Permitting and Inspections management should identify the kinds of reporting information needed in order to adequately track and assess the efficiency of the permitting process. Internal Audit recommends Permitting and Inspections management work with the Information Technology Department and/or the software developer to improve standard reports that can be used on an ongoing basis to ensure the information needed to manage the permitting and inspections processes will be available to those charged with the responsibility.</p>	<p>We will perform a comprehensive review of existing policies and procedures and make the necessary adjustments to comply with the purpose and intent of this audit. Reporting will be a component of this initiative. Reporting is part of the Information Technology Department’s priority “fix” list. As modifications to the case types, workflows, and data groups are complete, we will be able to develop the necessary reports for daily and management use.</p> <p><i>As it relates to the deficiencies that address the Cityworks PLL software, the City Manager has authorized a project assessment to evaluate the current state of Cityworks and make recommendations on whether to continue implementation and refinement efforts or seek another PLL solution. Until the assessment is</i></p>	<p><b>Implemented</b></p> <p>As discussed in Finding #11, the department has developed a policy that defines how the data is defined, how to preserve the integrity of the data, and how to use the data to measure performance.</p> <p><b>Implementation Date:</b> <b>10/1/2018</b></p>	<p><b>Implemented</b></p> <p>As discussed in Finding #11, the department has developed a policy that defines how the data is defined, how to preserve the integrity of the data, and how to use the data to measure performance.</p> <p><b>Implementation Date:</b> <b>10/1/2018</b></p>

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		<p><i>completed, only issues already identified as a part of Permitting and Inspections and Information Technology's project priority list will be completed. All other efforts to refine Cityworks will be discontinued.</i></p> <p><b>Responsible Party:</b> Information Technology Project Manager</p> <p><b>Implementation Date:</b> 6/30/2017</p>		
15	The Office of Internal Audit recommends Permitting and Inspections management collaborate with all departments involved in the City's permitting and inspections process to develop routine customer training sessions to be held at least annually. These sessions should, at a minimum, cover information within the entire permitting and inspections process which cause the most customer confusion, such as re-inspections and frequently asked questions. In addition, any new laws, regulations, and requirements	We will coordinate with other departments to establish a program of customer training sessions. There are a variety of existing models to choose from in implementing customer training, including webinars, presentations before trade or homebuilders organizations, and online tutorials to help train our customers. Some of the timing for this initiative will depend upon when the Public Portal and plan review software is implemented by Information Technology.	<p><b>Implemented</b></p> <p>The department is currently in deployment of an electronic plan review platform. In development of this platform, we have defined visual workflows that illustrate the development review and permitting process as it relates to the online review and permitting system.</p> <p><b>Implementation Date:</b> <b>10/1/2018</b></p>	<p><b>Implemented</b></p> <p>The department is currently in deployment of an electronic plan review platform. In development of this platform, we have defined visual workflows that illustrate the development review and permitting process as it relates to the online review and permitting system.</p> <p><b>Implementation Date:</b> <b>10/1/2018</b></p>

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	should be included in the training sessions.	<p><i>As it relates to the deficiencies that address the Cityworks PLL software, the City Manager has authorized a project assessment to evaluate the current state of Cityworks and make recommendations on whether to continue implementation and refinement efforts or seek another PLL solution. Until the assessment is completed, only issues already identified as a part of Permitting and Inspections and Information Technology's project priority list will be completed. All other efforts to refine Cityworks will be discontinued.</i></p> <p><b>Responsible Party:</b> Interim Permitting and Inspections Director</p> <p><b>Implementation Date:</b> 6/30/2017</p>		
16	The written policies and procedures recommended in Finding 2 should include practices for closing or otherwise terminating permits that have been abandoned past a certain time threshold as such jobs may require the project to comply with	The Information Technology Department is currently working on implementing an automated expiration process for permits that have not received an inspection within six months or that exceed the expiration date after issuance of the	<b>Implemented</b> While the process-related content of this finding has been mitigated, the department has also developed a policy on the	<b>Implemented</b> While the process-related content of this finding has been mitigated, the department has also developed a policy on the



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	<p>newer, safer building codes and would help protect the public safety. Permitting and Inspections management should continue working with the Information Technology Department and the software developer to implement changes that would update a permit status as it is moved through permitting and inspections processes. Once these changes have been completed and thoroughly tested, the impact on historical information that may occur should be assessed before implementing such changes.</p>	<p>permit. Until the automation of expiring permits is implemented, the Permit Technicians are able to query a report to manually expire permits, as well as, export an excel report capturing the number of cases that were manually expired per Permit Technician. The Senior Administrative Assistant will draft a written procedure and policies as set forth in the recommendation and for compiling data for performance measuring purposes.</p> <p><i>As it relates to the deficiencies that address the Cityworks PLL software, the City Manager has authorized a project assessment to evaluate the current state of Cityworks and make recommendations on whether to continue implementation and refinement efforts or seek another PLL solution. Until the assessment is completed, only issues already identified as a part of Permitting and Inspections and Information Technology's project priority list will be completed. All other efforts to</i></p>	<p>issuance and maintenance of open permits.</p>	<p>issuance and maintenance of open permits.</p>
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		<p><i>refine Cityworks will be discontinued.</i></p> <p><b>Responsible Party:</b> Senior Administrative Assistant</p> <p><b>Implementation Date:</b> 11/30/2017</p>		
17	<p>Allowing permits to expire should not be an easy method to avoid inspection and circumvent established controls. Permitting and Inspections management should establish controls to ensure failed inspections are followed to conclusion so the permit holder and/or contractor seek and receive final approval of the project.</p> <p>The Cityworks software should be configured to automatically expire permits based on specific criteria. A risk assessment should be prepared before permits within Cityworks are automatically expired, whereas, implementing this program could have a significant impact on permits.</p>	<p>Cityworks procedure changes are necessary to effectuate compliance with this finding. Permits that have not had an inspection within 6 months will be automatically expired and the status changed to Closed - Expired. An email will be sent to the applicant 30 days prior to the expiration and then again up on expiration. If a permit has had at least one inspection, the permit expiration will be extended for 12 months in keeping with the NC Building Code. This feature is currently in test and will be moved into production shortly.</p> <p>Staff will propose revisions to the City Code to ensure compliance with the NC Building Code.</p>	<b>Implemented</b>	<b>Implemented</b>
			Implemented per last follow-up response.	Implemented per last follow-up response.

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	<p>A report should be created and run at some stated interval to resolve expired permits and impose a terminal status of EXPIRED. Some consideration should also be given to sending a notice to the permit holder advising of the expiration of the permit due to lack of activity and giving the permit holder an opportunity to respond.</p> <p>Permitting and Inspections personnel should ensure compliance with the Fayetteville City Code Chapter 7, Building Code, Part II, Article III Enforcement, Section 7-68, Time Limitations on Validity of Permits, by expiring permits 60 days from issuance if the work authorized by the permit has not been commenced or update the Fayetteville City Code to be consistent with the North Carolina State Building Code requiring the time limitation for a permit to expire as six months after the date of issuance if the work</p>	<p><i>As it relates to the deficiencies that address the Cityworks PLL software, the City Manager has authorized a project assessment to evaluate the current state of Cityworks and make recommendations on whether to continue implementation and refinement efforts or seek another PLL solution. Until the assessment is completed, only issues already identified as a part of Permitting and Inspections and Information Technology's project priority list will be completed. All other efforts to refine Cityworks will be discontinued.</i></p> <p><b>Responsible Party:</b> IT Project Manager for permit expiration notices; Planning and Code Enforcement Director for changes to City Code.</p> <p><b>Implementation Date:</b> 4/30/2017</p>		
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	authorized by the permit has not been commenced.			
18	Permitting and Inspection management should coordinate with the Information Technology Department and/or the software developer to develop controls within Cityworks to verify the correct PIN is present on permit records. Should Cityworks not have this capability, Permitting and Inspections management should develop mitigating controls to ensure the validity of PIN's during the review and approval process for permit applications. In addition, Permitting and Inspections management should develop a process for consistent and accurate input of address information and work with the Information Technology Department and/or the software developer to fully integrate the GIS mapping function within Cityworks. In the interim it may be beneficial to enter information in the "Notes" section of a permit to indicate that the	Cityworks procedure changes are necessary to effectuate compliance with this finding. Permitting and Inspections will require considerable assistance from Information Technology in the testing of Cityworks upgrades.  This was an issue that was discussed during a December meeting and there was no clear resolution because the GIS Data that contains the PIN information is provided by Cumberland County GIS because the Register of Deed and the County GIS use different systems. The update from the Register of Deed to the County GIS is not always as timely as the city would like it. City and County GIS have been working together to resolve this, the city receives a nightly update from the county, and as long as the Register of Deed has updated County GIS then the City GIS and Cityworks will be correct. City GIS also has a	<b>Implemented</b>  Implemented per last follow up response	<b>Implemented</b>  Implemented per last follow up response

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	Recommendation	Management Response	Management Follow-up Response – August 6, 2020	Management Follow-up Response – April 23, 2020
<b>A2016-02 Permitting and Inspections</b>				
	address will not match the County records and why. Thorough testing of all upgrades should be performed to ensure the product is performing at an acceptable level to achieve departmental goals.	<p>GIS Road Map project to develop a collaborative GIS Environment with the county to help with this.</p> <p><i>As it relates to the deficiencies that address the Cityworks PLL software, the City Manager has authorized a project assessment to evaluate the current state of Cityworks and make recommendations on whether to continue implementation and refinement efforts or seek another PLL solution. Until the assessment is completed, only issues already identified as a part of Permitting and Inspections and Information Technology's project priority list will be completed. All other efforts to refine Cityworks will be discontinued.</i></p> <p><b>Responsible Party:</b> Chief Information Officer</p> <p><b>Implementation Date:</b> 6/30/2017</p>		
19	The Office of Internal Audit recommends Permitting and Inspections management review	Management is currently reviewing the permit fees and the permit applications for all four trades. Once	<b>Implemented</b>	<b>Implemented</b>

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**A2016-02 Permitting and Inspections**

	the existing Fee Schedule to determine whether enhancements would provide additional transparency and clarity for citizens and contractors. In addition, Permitting and Inspections management should ensure consistency among the permit application, Fayetteville City Code and the Fee Schedule.	we have corrected our fee schedule and permit applications, we will write the policy and procedures to make sure all permits are accurately issued and valued.  <b>Responsible Party:</b> Building Official  <b>Implementation Date:</b> 6/30/2017	The department has currently reviewed the fee scheduling and cross-examining it with our permit applications to ensure that all language is consistent, clear, and transparent. This process was concurrent with the implementation of our online Cityworks and idtPlans portal.  <b>Implementation Date:</b> <b>10/1/2018</b>	The department has currently reviewed the fee scheduling and cross-examining it with our permit applications to ensure that all language is consistent, clear, and transparent. This process was concurrent with the implementation of our online Cityworks and idtPlans portal.  <b>Implementation Date:</b> <b>10/1/2018</b>
20	Permitting and Inspections management should determine if Cityworks has the capability to provide reports by subsidiary ledger for fees charged to customers, which could be used to reconcile to the City’s general ledger.  Permitting and Inspections management should develop written procedures which should be followed to ensure a documented reconciliation between the amounts billed/refunded in Cityworks and actual revenue posted in the general	There is a lack of integration between the accounting software programs that the City uses that requires manual procedures to reconcile revenues across Cityworks, JDE, and the Point of Sale program. The reconciliation process of this report is completed by the Senior Administrative Assistant and, upon completion of the reconciliation, the Senior Administrative Assistant records her signature and has an employee unassociated with cash handling, approve the reconciliation report. The Senior Administrative Assistant	<b>Implemented</b>  The IT department worked with the Cityworks developers to ensure that the date of transactions matches the date on other financial software systems.  The department developed policies that incorporate the City’s Financial Policies to a department specific level to include the required reconciliation of all financial	<b>Implemented</b>  The IT department worked with the Cityworks developers to ensure that the date of transactions matches the date on other financial software systems.  The department developed policies that incorporate the City’s Financial Policies to a department specific level to include the required reconciliation of all financial

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	<p>ledger is performed at regular intervals. The reconciliation should be completed with verification of the balances by a second authorized individual including initialing and dating reports to document a review and reconciliation was performed.</p> <p>In addition, Permitting and Inspections management should develop written policies and procedures to document the process and the importance of closing the POS register nightly.</p> <p>Once these processes are established, Permitting and Inspections management should ensure personnel are adequately trained on them.</p>	<p>will develop written procedures on the processes of this reconciliation procedure.</p> <p>The Permit Technicians have previously trained on the reset procedures of the Point of Sale cash drawers. A draft procedure on “Reconciliation Cash Drawers” has been prepared for review and approval by the Interim Permitting and Inspections Director. Compliance with these procedures will be included as a performance measure.</p> <p><b>Responsible Party:</b> Senior Administrative Assistant</p> <p><b>Implementation Date:</b> 6/30/2017</p>	<p>transactions with the general ledger.</p>	<p>transactions with the general ledger.</p>
21	<p>Permitting and Inspections personnel should ensure, when submitting payment to the North Carolina Licensing Board on a quarterly basis, that correct amounts are submitted based on a reconciliation of information in Cityworks and the general ledger.</p>	<p>The Information Technology Department created a new Account Payables subsidiary code to capture the \$9 fee that is paid to the NC Licensing Board. The existing revenue account captures the remaining \$1 recognized as revenue. The recent segregation of the</p>	<p><b>Implemented</b></p> <p>The department has developed and refined policies that incorporate the City’s Financial Policies to a department specific level.</p>	<p><b>Implemented</b></p> <p>The department has developed and refined policies that incorporate the City’s Financial Policies to a department specific level.</p>

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	Any Homeowner Recovery Fund fee refunds should be taken into consideration when completing the reconciliation.	<p>Homeowner Recovery Fee was implemented October 3, 2016.</p> <p>The Senior Administrative Assistant will continue to submit quarterly payments to the N.C. Licensing Board but, beforehand, the Senior Administrative Assistant will ensure that the payment is accurately reconciled amongst the Cityworks Revenue Report and General Ledger within JDE.</p> <p>The same will apply to refunds. The Senior Administrator will ensure refunds of the Homeowner Recovery Fee are properly processed and applied to the appropriate fund accounts within JDE and revenue accounts with Cityworks.</p> <p><b>Responsible Party:</b> Senior Administrative Assistant</p> <p><b>Implementation Date:</b> 10/3/2016</p>		
22	Permitting and Inspections management should require,	The Senior Administrative Assistant provided Permit Technicians copies	<b>Implemented</b>	<b>Implemented</b>



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	<p>annually, all personnel who handle cash receipts to read the Cash Handling General Procedures and sign acknowledging receipt and understanding of the procedures.</p> <p>A formal written refund policy to provide guidance and direction on how to process refunds should be developed. In addition, Permitting and Inspections personnel should be trained on these policies.</p> <p>Permitting and Inspections management should ensure quality reviews are done for all cash receipt processes.</p>	<p>of the city’s Cash Handling General Procedures. Each of the technicians received, reviewed, and signed the Cash Handling General Procedures Acknowledgement form. A copy of the Cash Handling General Procedures is readily accessible to the Permit Technicians and such policy will be reviewed and signed on an annual basis as recommended by the Finance Department.</p> <p>The Senior Administrative Assistant prepared a department Refund Procedures &amp; Policy. Upon review and approval by the Permitting and Inspections Director, the Senior Administrative Assistant will conduct mandatory training for all Permit Technicians in two weeks following the policy adoption.</p> <p>The Senior Administrative Assistant will conduct quarterly quality reviews of the issuance process which will include cash handling procedures. This process will begin the third quarter of FY17.</p>	<p>The department has developed and refined policies that incorporate the City’s Financial Policies to a department specific level. We have been working with Finance Department staff to adequately develop these procedures that are consistent across department lines.</p> <p><b>Implementation Date:</b> <b>10/1/2018</b></p>	<p>The department has developed and refined policies that incorporate the City’s Financial Policies to a department specific level. We have been working with Finance Department staff to adequately develop these procedures that are consistent across department lines.</p> <p><b>Implementation Date:</b> <b>10/1/2018</b></p>
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**A2016-02 Permitting and Inspections**

		<p><b>Responsible Party:</b> Senior Administrative Assistant</p> <p><b>Implementation Date:</b> 6/30/2017</p>		
23	<p>Internal Audit recommends Permitting and Inspections personnel responsibilities be reassigned in order to achieve an effective separation between opening the mail and recording transactions. In addition, Permitting and Inspections management should consider checks being opened in dual custody to further strengthen controls.</p> <p>Additionally, Permitting and Inspections management should assess the Administrative Assistant’s job description and determine if additional education, experience or knowledge related to internal controls is needed due to the supervision of cash handling functions and update the job</p>	<p>Personnel duties will be defined to require the front line permit technicians assigned to permit issuance to record transactions, and daily dispatch permit technicians will have mail duties to address this issue. The Senior Administrative Assistant will supervise and ensure compliance.</p> <p>Management is reviewing a vacant Permitting and Inspections position against the recommendation and will request a study from the Human Resource Department. Once the study is complete, management will recruit for this position in November 2016.</p> <p><b>Responsible Party:</b> Interim Permitting and Inspections Director</p> <p><b>Implementation Date:</b> 9/30/2017</p>	<p><b>Implemented</b></p> <p>The department has developed and refined policies that incorporate the City’s Financial Policies to a department specific level. We have been working with Finance Department staff to adequately develop these procedures that are consistent across department lines.</p> <p><b>Implementation Date: 10/1/18</b></p>	<p><b>Implemented</b></p> <p>The department has developed and refined policies that incorporate the City’s Financial Policies to a department specific level. We have been working with Finance Department staff to adequately develop these procedures that are consistent across department lines.</p> <p><b>Implementation Date: 10/1/18</b></p>

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	description or position as deemed appropriate.			
24	<p>The Office of Internal Audit recommends Permitting and Inspections management work with the Information Technology Department to establish a process for security of faxed information. Such a process could include faxes being printed only when the appropriate security code is entered or having a dedicated fax machine for the Permitting and Inspections Department in a secure location with limited access. Permitting and Inspections management should ensure the faxes are destroyed in accordance with City's Administrative Policy # 311 - <i>Security of Sensitive and Confidential Information and Breach Response Plan.</i></p>	<p>The fax machine vendor programmed the Permitting Multi-Functional Device (fax machine) so permit applications received can only be printed by means of entering a security code. Faxes are secured within the device until the security code is applied. Permit Technicians and the Senior Administrative Assistant are only privy to such code, and if at any time the code may be breached, a new security code can be reassigned.</p> <p>The Finance Department provided the Senior Administrative Assistant a copy of the city's policy #311, Security of Sensitive and Confidential Information and Breach Response Plan. Each technician received, reviewed, and signed the Acknowledge form. The Senior Administrative Assistant also prepared a draft policy of a Security and Confidential Information for review by the Permitting and</p>	<p><b>Implemented</b></p> <p>The department has developed and refined policies that incorporate the City's Financial Policies to a department specific level.</p> <p><b>Implementation Date: 10/1/2018</b></p>	<p><b>Implemented</b></p> <p>The department has developed and refined policies that incorporate the City's Financial Policies to a department specific level.</p> <p><b>Implementation Date: 10/1/2018</b></p>

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		<p>Inspection Director. Upon review and approval of the policy, the Senior Administrative Assistant will conduct mandatory training to all Permit Technicians within two weeks following adoption. The Senior Administrative Assistant will also conduct quarterly quality reviews of the Security and Confidential Information. Additionally, and in accordance to the Security of Sensitive and Confidential Information and Breach Response Plan, the Permit Technicians destroy (shred) faxes that contain confidential financial information following the completion of the issuance process of every permit.</p> <p><b>Responsible Party:</b> Senior Administrative Assistant</p> <p><b>Implementation Date:</b> 9/30/2016</p>		
25	Permitting and Inspections management should coordinate with the Information Technology Department and/or the software	While report creation is part of the Information Technology Department’s top priorities for Cityworks “fixes,” locking out the	<p><b>Implemented</b></p> <p>The process-related content of this finding has been addressed,</p>	<p><b>Implemented</b></p> <p>The process-related content of this finding has been addressed,</p>

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**A2016-02 Permitting and Inspections**

	<p>developer to develop controls within Cityworks to ensure permits are not printed before all pre-permitting requirements are met and the hardcoded status on the permit should read the status within Cityworks.</p> <p>Additionally, Internal Audit recommends the appropriate inspector review all written applications as defined by NCGS and Fayetteville City Code, Chapter 7, Article III before a permit is issued.</p>	<p>report is a customization that will require additional funding to complete. IT has completed the process of watermarking the reports in question with a watermark that says INVALID if the report is printed before all the required inspections, payments, or documents are completed.</p> <p>We will coordinate with the Department of Insurance to determine the need for building inspectors to issue trade permits.</p> <p><i>As it relates to the deficiencies that address the Cityworks PLL software, the City Manager has authorized a project assessment to evaluate the current state of Cityworks and make recommendations on whether to continue implementation and refinement efforts or seek another PLL solution. Until the assessment is completed, only issues already identified as a part of Permitting and Inspections and Information Technology's project priority list</i></p>	<p><b>Implementation Date:</b>  <b>10/1/2018</b></p>	<p><b>Implementation Date:</b>  <b>10/1/2018</b></p>
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		<p><i>will be completed. All other efforts to refine Cityworks will be discontinued.</i></p> <p><b>Responsible Party:</b> IT Project Manager</p> <p><b>Implementation Date:</b> 11/30/2016 for the workaroud. TBD for the ultimate resolution.</p>		
26	<p>Internal Audit recommends Permitting and Inspections management review applications, the Fee Schedule and Cityworks, and ensure they are consistent with one another. In addition, Permitting and Inspections management should review all permit applications to ensure all necessary information is required on the applications, applications are clear, and assess whether any unnecessary information should be removed from the applications. Once the applications are updated and made available to the contractors/homeowners, their use should be enforced.</p>	<p>We will coordinate with the Department of Insurance to determine the need for building inspectors to issue trade permits. Staffing and workload issues may preclude quality control by inspection supervisors without additional resources as has been noted in responses to prior findings. Staff will work with Information Technology to see if exceptions can be identified for quality control purposes. Once these issues are resolved, policies and procedures will be developed and training conducted to ensure subordinate staff adherence to the policies and procedures.</p>	<p><b>Implemented</b></p> <p>The department has reviewed the fee schedule and cross-examined it with our permit applications to ensure that all language is consistent, clear, and transparent.</p> <p>An internal policy has been developed in regards to permit issuance and work-quality review to address the human-related consistency component of permitting.</p> <p><b>Implementation Date:</b> <b>10/1/2018</b></p>	<p><b>Implemented</b></p> <p>The department has reviewed the fee schedule and cross-examined it with our permit applications to ensure that all language is consistent, clear, and transparent.</p> <p>An internal policy has been developed in regards to permit issuance and work-quality review to address the human-related consistency component of permitting.</p> <p><b>Implementation Date:</b> <b>10/1/2018</b></p>

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	<p>In order to be in compliance with North Carolina General Statutes, Inspectors should issue permits. However, prior to permit issuance, Permitting and Inspections personnel should ensure permit applications are completed with all information necessary to calculate fees. If information on the application is unclear, Permitting and Inspections personnel should ask the applicant for clarification. Any updated information should be clearly documented for future reference.</p> <p>Permitting and Inspections management should establish a quality review process for the Permitting and Inspections Department. Due to the high volume of applications, the likelihood of finding an exception by spot checking is statistically low. Therefore, when establishing a quality review process, Permitting and Inspections management could</p>	<p><i>As it relates to the deficiencies that address the Cityworks PLL software, the City Manager has authorized a project assessment to evaluate the current state of Cityworks and make recommendations on whether to continue implementation and refinement efforts or seek another PLL solution. Until the assessment is completed, only issues already identified as a part of Permitting and Inspections and Information Technology's project priority list will be completed. All other efforts to refine Cityworks will be discontinued.</i></p> <p><b>Responsible Party:</b> Building Official; Senior Administrative Assistant</p> <p><b>Implementation Date:</b> 6/30/2017</p>		
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	<p>consider exception-based reporting from Cityworks which could identify unusual transactions, such as a residential building permit without a homeowner recover fee charged.</p> <p>Policies and procedures should be written to provide clear guidance on accurate and consistent application of fees. Training should be given to Permitting and Inspections personnel to ensure understanding and adherence to policies and procedures.</p>			
27	<p>Internal Audit recommends the appropriate inspector review all written applications as defined by NCGS and Fayetteville City Code, Chapter 7, Article III before a permit is issued. This review should include the status of the contractor’s license.</p> <p>Additionally, Internal Audit recommends Permitting and Inspections personnel establish and follow written procedures to ensure</p>	<p>The Planning and Code Enforcement Director will review the City Code and propose any modifications that are necessary to modernize and ensure consistency between the City Code, the NC Building Code, and departmental procedures and policies.</p> <p>Management has reached out to the Supervisor of the Code Inspections Section of the Department of Insurance for clarification on</p>	<p><b>Implemented</b></p> <p>While the process-related component of license review has been implemented, a policy was also revised to incorporate consistent research of contractor’s license within the issuance of permits.</p> <p>In addition, the City Attorney’s Office provided guidance that once the permit has been issued,</p>	<p><b>Implemented</b></p> <p>While the process-related component of license review has been implemented, a policy was also revised to incorporate consistent research of contractor’s license within the issuance of permits.</p> <p>In addition, the City Attorney’s Office provided guidance that once the permit has been issued,</p>



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**A2016-02 Permitting and Inspections**

	<p>each contractor’s license is valid when issuing a permit. Since permits expire December 31 each year and become invalid 60 days from that date unless renewed, Permitting and Inspections should establish and follow written procedures to ensure all general contractors with active permits still have valid licenses in March of each year. For any active permits determined to be issued to general contractors with invalid licenses, Permitting and Inspections personnel should establish written procedures to comply with NCGS 160-422 relating to the revocation of permits.</p>	<p>inspector issuance of permits. The Permitting and Inspections Department is meeting all requirements for the issuance of trade and building permits in our current practice.</p> <p>Management is currently reviewing the permit fees and the permit applications for all four trades. Once we have corrected our fee schedule and permit applications, we will write the policy and procedures to make sure the permit is accurately issued and valued.</p> <p>The Permit Technicians are currently following procedures of verifying contractors licenses prior to the issuance of permits. The Senior Administrative Assistant will draft a policy and procedures to ensure that this process is being validated. The Senior Administrative Assistant will complete monthly random quality control checks to ensure that this</p>	<p>it is the contractor’s responsibility to maintain his license in accordance with the 2012 North Carolina Administrative Code and Policies Section 204.3.6 which reads <i>“It shall be the duty of every person who contracts for the installation or repair of a building or service system to comply with State or local rules and regulations concerning licensing.”</i></p> <p style="color: red;"><b>Implementation Date:</b> <b>10/1/2018</b></p>	<p>it is the contractor’s responsibility to maintain his license in accordance with the 2012 North Carolina Administrative Code and Policies Section 204.3.6 which reads <i>“It shall be the duty of every person who contracts for the installation or repair of a building or service system to comply with State or local rules and regulations concerning licensing.”</i></p> <p style="color: red;"><b>Implementation Date:</b> <b>10/1/2018</b></p>
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		<p>recommendation is followed through.</p> <p>In speaking with the North Carolina Licensing Board for General Contractors, they are looking into developing a WebService with which we would be able to programmatically interface with in order to validate the contractor in real time. At this time there is no ETA for the availability of this WebService. Such an arrangement with other trades is being explored. Currently Information Technology has investigated other methods of automatically validating the Contractor License, however, there would be additional funding needed to do this.</p> <p><i>As it relates to the deficiencies that address the Cityworks PLL software, the City Manager has authorized a project assessment to evaluate the current state of Cityworks and make recommendations on whether to continue implementation and</i></p>		
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		<p><i>refinement efforts or seek another PLL solution. Until the assessment is completed, only issues already identified as a part of Permitting and Inspections and Information Technology's project priority list will be completed. All other efforts to refine Cityworks will be discontinued.</i></p> <p><b>Responsible Party:</b> Planning and Code Enforcement Director (code changes); Senior Administrative Assistant (procedures)</p> <p><b>Implementation Date:</b> 9/30/2017</p>		
28	Permitting and Inspections management should coordinate with the Information Technology Department and/or the software developer to develop controls within Cityworks to prevent creating duplicate permits. Should Cityworks not have this capability; Permitting and Inspections management should work with personnel within the department on mitigating controls to ensure	<p>Cityworks cannot currently prevent the creation of duplicate permits, however, it will allow you to see all the existing permits, cases, service requests and work orders at a given address.</p> <p>Resolution of this issue is dependent on a vendor's schedule. Additionally, consideration should be given to distinguishing between a trade permit and a building permit with regard to the qualifications of</p>	<p><b>Implemented</b></p> <p>A project may require more than one of a specific trade permit (multiple electrical permits may be issued for one job).</p> <p>Staff is familiar with the requirements for each permit, and the differentiation of each permit type. Although trade permits may appear to be the</p>	<p><b>Implemented</b></p> <p>A project may require more than one of a specific trade permit (multiple electrical permits may be issued for one job).</p> <p>Staff is familiar with the requirements for each permit, and the differentiation of each permit type. Although trade permits may appear to be the</p>

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**A2016-02 Permitting and Inspections**

	<p>duplicate permits are not being created. All permit applications should be reviewed by an appropriate level inspector before a permit is issued at which time, the inspector can verify that a duplicate permit is not being created.</p>	<p>the issuing authority. If inspectors have to sign off on all permits prior to their issuance, a significant resource issue will be created due to permit volume. If this is the direction of the Interim City Manager, we will produce a plan for implementation for consideration during the FY18 budget cycle.</p> <p>Information Technology is working with software developer to bring a Cityworks PLL trainer on site to provide specialized PLL training.</p> <p><i>As it relates to the deficiencies that address the Cityworks PLL software, the City Manager has authorized a project assessment to evaluate the current state of Cityworks and make recommendations on whether to continue implementation and refinement efforts or seek another PLL solution. Until the assessment is completed, only issues already identified as a part of Permitting and Inspections and Information Technology's project priority list</i></p>	<p>same at first glance, staff includes notes and other items to differentiate each permit from another to avoid duplication.</p> <p><b>Implementation Date: 10/1/2018</b></p>	<p>same at first glance, staff includes notes and other items to differentiate each permit from another to avoid duplication.</p> <p><b>Implementation Date: 10/1/2018</b></p>
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**A2016-02 Permitting and Inspections**

		<p><i>will be completed. All other efforts to refine Cityworks will be discontinued.</i></p> <p><b>Responsible Party:</b> Interim Permitting and Inspections Director and Information Technology Director</p> <p><b>Implementation Date:</b> 11/15/2016</p>		
29	<p>Procedures should be established requiring inspectors to document within Cityworks when the inspector reaches the location and the results of the inspection before going to the next assignment. Cityworks should be configured, if necessary, to facilitate this type of documentation. Training should be provided to improve inspectors' documentation, to establish parameters and guidelines and the use of laptops in the field to result the inspections.</p>	<p>Permitting and Inspections has purchased laptop computers for all the field inspectors to eliminate the problem of limited or no connectivity in some areas of the City. Since that time, the inspectors have been trained and directed by management to log into Cityworks and do all of their inspection postings at the jobsite. Management is working with Cityworks to be able to have this measurable data extracted in several types of reports. This will give management valuable information that we will be able to use in determining if the department is adequately staffed.</p>	<p><b>Implemented</b></p> <p>The process and policy related content of this finding has been remedied</p> <p>Also, technology has also being evaluated to ensure that the inspectors can result the inspections in real time after the inspection is conducted.</p> <p><b>Implementation Date:</b> <b>10/1/2018</b></p>	<p><b>Implemented</b></p> <p>The process and policy related content of this finding has been remedied</p> <p>Also, technology has also being evaluated to ensure that the inspectors can result the inspections in real time after the inspection is conducted.</p> <p><b>Implementation Date:</b> <b>10/1/2018</b></p>

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	<b>Recommendation</b>	<b>Management Response</b>	<b>Management Follow-up Response – August 6, 2020</b>	<b>Management Follow-up Response – April 23, 2020</b>

**A2016-02 Permitting and Inspections**

		<p><i>As it relates to the deficiencies that address the Cityworks PLL software, the City Manager has authorized a project assessment to evaluate the current state of Cityworks and make recommendations on whether to continue implementation and refinement efforts or seek another PLL solution. Until the assessment is completed, only issues already identified as a part of Permitting and Inspections and Information Technology's project priority list will be completed. All other efforts to refine Cityworks will be discontinued.</i></p> <p><b>Responsible Party:</b> Building Official</p> <p><b>Implementation Date:</b> 6/30/2017</p>		
30	Internal Audit recommends the Permitting and Inspections Department prohibit the practice of bypassing system controls by deleting and/or resulting inspections on the workflow as "NA". Quality reviews should be	The inspections workflows are currently under modification. It is the intent to modify and simplify each of the workflows per permit type. Until this occurs, an "N/A" will be placed on inspections tasks not related to the inspection. The	<b>Implemented</b>	<b>Implemented</b>
			With the assistance of IT, the department has implemented the recommendation preventing the bypassing of system controls.	With the assistance of IT, the department has implemented the recommendation preventing the bypassing of system controls.

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**A2016-02 Permitting and Inspections**

	<p>conducted by management to ensure all inspections are completed and resulted for each type of permit on the workflow. Cityworks workflows should be updated for each permit type to include only required inspections for that permit type.</p>	<p>Permitting and Inspections department is working closely with the IT department as well as with Cityworks in order to address this issue.</p> <p>As we modify the case types and workflows additional security will be added which will prohibit the addition or deletions of task in the workflow.</p> <p><i>As it relates to the deficiencies that address the Cityworks PLL software, the City Manager has authorized a project assessment to evaluate the current state of Cityworks and make recommendations on whether to continue implementation and refinement efforts or seek another PLL solution. Until the assessment is completed, only issues already identified as a part of Permitting and Inspections and Information Technology's project priority list will be completed. All other efforts to refine Cityworks will be discontinued.</i></p>		
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**A2016-02 Permitting and Inspections**

		<p><b>Responsible Party:</b> Building Official</p> <p><b>Implementation Date:</b> 6/30/2017</p>		
31	<p>Permitting and Inspections management should develop procedures to clarify expectations, including established start times and locations to begin inspections for the workday. The procedures should also give general guidance on how to conduct inspections. Once these procedures are established, Permitting and Inspections management should ensure personnel are adequately trained on them.</p> <p>The AVL technology should be fitted and fully operational on all Permitting and Inspections Department vehicles. This data should be used by management in conjunction with monitoring inspector output as a measure of overall productivity.</p>	<p>The Permitting and Inspections Department will implement policies and procedures to ensure that inspections staff have clear and concise instruction regarding daily expectations, standards for training new staff, and policies as it relates to enforcement of the NC Building Code. The AVL systems are currently installed in all inspectors' assigned vehicles. The existing AVL system could not be permanently installed without voiding the manufacturer's warranty. Reporting is currently being addressed by the Information Technology Project Manager. The inspections staff will receive training on how to review and monitor the AVL system. Additionally, the real-time resulting of inspections will help confirm inspector location.</p>	<p><b>Implemented</b></p> <p>Accountability procedures are currently in place to satisfy the process-related content of this finding.</p> <p><b>Implementation Date:</b> <b>10/1/2018</b></p>	<p><b>Implemented</b></p> <p>Accountability procedures are currently in place to satisfy the process-related content of this finding.</p> <p><b>Implementation Date:</b> <b>10/1/2018</b></p>



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**A2016-02 Permitting and Inspections**

		<p><b>Responsible Party:</b> Building Official</p> <p><b>Implementation Date:</b> 6/30/2017</p>		
32	<p>Permitting and Inspections management should develop procedures to ensure all permitted projects are inspected or permits are properly cancelled if the permitted work is not commenced.</p>	<p>All full demolition permits are inspected by the Code Enforcement Division of the Planning and Code Enforcement Department. Cityworks has been modified to notify the contractor when a permit is about to expire. This modification reflects the standards of the NC Building Code with regard to permit expiration. A procedure will be developed in order to provide clear and concise instruction on how to post inspections once the permit is completed, voided, or expired. An amendment to the City Code will be proposed to reflect the standards of the NC Building Code with regard to permit expiration.</p> <p style="color: red; font-style: italic;"><i>As it relates to the deficiencies that address the Cityworks PLL software, the City Manager has authorized a project assessment to evaluate the</i></p>	<p><b>Implemented</b></p> <p>The process-related content was addressed by ordinance amendment and Cityworks modification</p> <p style="color: red; font-weight: bold;"><b>Implementation Date: 10/1/18</b></p>	<p><b>Implemented</b></p> <p>The process-related content was addressed by ordinance amendment and Cityworks modification</p> <p style="color: red; font-weight: bold;"><b>Implementation Date: 10/1/18</b></p>

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		<p><i>current state of Cityworks and make recommendations on whether to continue implementation and refinement efforts or seek another PLL solution. Until the assessment is completed, only issues already identified as a part of Permitting and Inspections and Information Technology's project priority list will be completed. All other efforts to refine Cityworks will be discontinued.</i></p> <p><b>Responsible Party:</b> Senior Administrative Assistant (for Permitting); Building Official (for Inspections); PCE Director (for code changes and PCE policies and procedures)</p> <p><b>Implementation Date:</b> 11/15/2016, with the City Code Changes to occur in January 2017</p>		
33	Internal Audit recommends Permitting and Inspections management develop processes to ensure square footage and construction costs are validated	We agree that enhancements can be made to better confirm fee calculations from various measures, however, the proposed redundancy is unnecessary as any deviations will	<b>Implemented</b>  The fee schedule has been modified to reflect permit fees	<b>Implemented</b>  The fee schedule has been modified to reflect permit fees

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**A2016-02 Permitting and Inspections**

	<p>prior to permit issuance and again prior to issuance of the certificate of occupancy/compliance. The process should include recording adjustments in Cityworks and collecting or refunding any fees based on these adjustments. These processes should be documented in written policies and procedures and personnel should be trained on them.</p>	<p>be caught during the inspection process. We agree that adjustments to the Fee Schedule need to be made to simplify calculation procedures; this will require coordination with Information Technology, and such changes will be made at midyear, if possible, or proposed as part of the FY18 budget</p> <p><i>As it relates to the deficiencies that address the Cityworks PLL software, the City Manager has authorized a project assessment to evaluate the current state of Cityworks and make recommendations on whether to continue implementation and refinement efforts or seek another PLL solution. Until the assessment is completed, only issues already identified as a part of Permitting and Inspections and Information Technology's project priority list will be completed. All other efforts to refine Cityworks will be discontinued.</i></p>	<p>based upon heated and non-heated area.</p> <p>In addition to the fee schedule modification, the building inspectors have initiated a process to evaluate and compare area and value based upon footings and the current fair market value.</p> <p><b>Implementation Date: 10/1/2018</b></p>	<p>based upon heated and non-heated area.</p> <p>In addition to the fee schedule modification, the building inspectors have initiated a process to evaluate and compare area and value based upon footings and the current fair market value.</p> <p><b>Implementation Date: 10/1/2018</b></p>
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**A2016-02 Permitting and Inspections**

		<b>Responsible Party:</b> Building Official  <b>Implementation Date:</b> 6/30/2017		
34	<p>A formal written callback policy to provide guidance and direction on how to impose callback fees should be developed and communicated to contractors/home owners. In addition, Permitting and Inspections personnel should be trained on this new policy.</p>	<p>Management is writing a formal callback policy. Once this policy is completed, we will modify Cityworks so that a callback fee will be automatically issued in accordance to the policy. Once this callback policy is completed, then management will notify the contractors and train the inspectors.</p> <p><i>As it relates to the deficiencies that address the Cityworks PLL software, the City Manager has authorized a project assessment to evaluate the current state of Cityworks and make recommendations on whether to continue implementation and refinement efforts or seek another PLL solution. Until the assessment is completed, only issues already identified as a part of Permitting and Inspections and Information Technology's project priority list will be completed. All other efforts to</i></p>	<p><b>Implemented</b></p> <p>In addition to the callback fee, a policy has been implemented for staff knowledge on the consistent implementation of call-back fees.</p> <p><b>Implementation Date:</b> <b>9/30/2018</b></p>	<p><b>Implemented</b></p> <p>In addition to the callback fee, a policy has been implemented for staff knowledge on the consistent implementation of call-back fees.</p> <p><b>Implementation Date:</b> <b>9/30/2018</b></p>

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**A2016-02 Permitting and Inspections**

		<p><i>refine Cityworks will be discontinued.</i></p> <p><b>Responsible Party:</b> Building Official</p> <p><b>Implementation Date:</b> 6/30/2017</p>		
35	Consider implementing multi-trade inspections, specifically HVAC permits, to enhance scheduling flexibility, reduce drive times and improve response times.	<p>The Permitting and Inspections Department is now performing multi-trade inspections for two permit types. One is the mechanical change out permit when the mechanical inspector inspects both the mechanical and electrical installations. The other is the gas water heater permit when the plumbing inspector inspects the water heater, vent piping and the gas piping. A policy and procedure will be written to ensure both permits are ready before the inspector goes on the inspection. Management also utilizes this cross training when a trade section is shorthanded. Out of a department of 18 inspectors, we have 7 inspectors who have more than one standard certification. Management hopes to expand this</p>	<p><b>Implemented</b></p> <p>Current scheduling practices have been modified to support multi-trade inspections in unit installs and change outs.</p> <p>We have also developed a multi-trade permit</p> <p><b>Implementation Date: 10/1/18</b></p>	<p><b>Implemented</b></p> <p>Current scheduling practices have been modified to support multi-trade inspections in unit installs and change outs.</p> <p>We have also developed a multi-trade permit</p> <p><b>Implementation Date: 10/1/18</b></p>

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		concept to more permit types as we get more inspectors certified.  <b>Responsible Party:</b> Building Official  <b>Implementation Date:</b> 10/1/2016		

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**A2016-06 Contract Practices and Procedures**

1	<p>The Office of Internal Audit recommends management determine if the City Manager’s Office is the most appropriate department to be responsible for <i>Policy #120 City of Fayetteville General Contracting Practices and Procedure</i> based on the ability to provide oversight and management of all policy provisions and appendices. Once determined, management should designate personnel/positions responsible for the oversight and management of the policy and ensure the personnel/positions responsible have the ability to enforce contract policy provisions. This recommendation is applicable for all findings within this report and will have a direct impact on the management responses for oversight and monitoring of compliance with the policy.</p>	<p>The approvals required and the procedures within Policy #120 City of Fayetteville General Contracting Practices and Procedure were initially assigned to the City Manager’s Office; however, after further review and evaluation, the oversight and management of the policy to include the appendices is being assigned to the Finance department. Currently, the Finance department is responsible for the Purchasing function along with playing a major role with citywide contracting. Furthermore, Policy #120 City of Fayetteville General Contracting Practices and Procedure will continue to require the City Manager to approve all delegation of contract signature authority as authorized by the City’s Code of Ordinances Chapter 2 Article III Section 2-61.</p> <p><b>Responsible Party:</b> Chief Financial Officer or designee</p> <p><b>Implementation Date:</b> 01/31/2018</p>	<p style="text-align: center;"><b>Implemented</b></p> <p>A contract committee (parks and recreation, finance, legal, SPA, CMO, airport, and internal audit) has been created which has put into motion certain changes to the contracting process. An updated policy will be drafted and circulated/presented to SMT on 4.25.19 for a 10 day review process. All comments were recorded and policy signed/approved by City Manager.</p>	<p style="text-align: center;"><b>Implemented</b></p> <p>A contract committee (parks and recreation, finance, legal, SPA, CMO, airport, and internal audit) has been created which has put into motion certain changes to the contracting process. An updated policy will be drafted and circulated/presented to SMT on 4.25.19 for a 10 day review process. All comments were recorded and policy signed/approved by City Manager.</p>
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**A2016-06 Contract Practices and Procedures**

2	<p>1. Clarification should be added to <i>Policy #120 City of Fayetteville General Contracting Practices and Procedures</i> to:</p> <p style="margin-left: 20px;">a. Define the conditions under which a purchase order is required; and</p> <p style="margin-left: 20px;">b. Require all signatures on contracts in Laserfiche be dated.</p> <p>2. Training and monitoring practices to ensure procedures are being followed by all user departments should be improved.</p> <p>3. A quality control program should be developed to help ensure purchase orders are obtained prior to purchase or start of service, and all contracts are fully executed with all required approvals, signatures and the City Seal.</p>	<p>1. To ensure full implementation and compliance, the City Manager will assign the Chief Financial Officer the responsibility to define the conditions under which a <b>purchase order</b> is required and to require that all signatures on contracts in LaserFiche be dated.</p> <p>2. To ensure full implementation and compliance, the City Manager will assign the Chief Financial Officer the responsibility of providing training and monitoring practices to ensure <b>purchase order</b> procedures are being followed by all user departments.</p> <p>3. To ensure full implementation and compliance, the City Manager will assign the Chief Financial Officer the responsibility to develop a quality control program to help</p>	<p style="text-align: center;"><b>Implemented</b></p> <p><i>Policy #120 City of Fayetteville General Contracting Practices and Procedures</i> was updated and subsequently approved by the City Manager.</p> <p>Training was held 11.16.18, 3.29.19 and will continue to be held now that the policy has been developed and approved.</p>	<p style="text-align: center;"><b>Implemented</b></p> <p><i>Policy #120 City of Fayetteville General Contracting Practices and Procedures</i> was updated and subsequently approved by the City Manager.</p> <p>Training was held 11.16.18, 3.29.19 and will continue to be held now that the policy has been developed and approved.</p>
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**A2016-06 Contract Practices and Procedures**

		<p>ensure <b>purchase orders</b> obtained prior to purchase or start of service, and all contracts are fully executed with all required approvals, signatures and the City Seal.</p> <p><b>Responsible Party:</b> Chief Financial Officer or designee</p> <p><b>Implementation Date:</b> 03/31/2018</p>		
3	<ol style="list-style-type: none"> <li>1. Clarification should be added to <i>Policy #120 City of Fayetteville General Contracting Practices and Procedures</i> defining the conditions under which a contract is required;</li> <li>2. Training and monitoring practices to ensure procedures are being followed by all user departments should be improved;</li> <li>3. A quality control program should be developed to help ensure contracts are obtained</li> </ol>	<ol style="list-style-type: none"> <li>1. To ensure full implementation and compliance, the City Manager will assign the CFO the responsibility of providing clarification to Policy #120, City of Fayetteville General Contracting Processes and Procedures in an effort to define the conditions under which a <b>contract</b> is required.</li> <li>2. To ensure full implementation and compliance, the City Manager will assign the CFO the responsibility of providing training and monitoring practices to ensure <b>contract</b></li> </ol>	<p style="text-align: center;"><b>Implemented</b></p> <p>A contract committee (parks and recreation, finance, legal, SPA, CMO, airport, and internal audit) has been created which has put into motion certain changes to the contracting process. An updated policy was drafted and circulated/presented to SMT. All comments were recorded and policy signed/approved by City Manager.</p>	<p style="text-align: center;"><b>Implemented</b></p> <p>A contract committee (parks and recreation, finance, legal, SPA, CMO, airport, and internal audit) has been created which has put into motion certain changes to the contracting process. An updated policy was drafted and circulated/presented to SMT. All comments were recorded and policy signed/approved by City Manager.</p>

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**A2016-06 Contract Practices and Procedures**

	<p>prior to purchase or start of service; and</p> <p>4. Management should establish a central repository for all City contracts.</p>	<p>procedures are being followed by all user departments.</p> <p>3. To ensure full implementation and compliance, the City Manager will assign the CFO the responsibility to develop a quality control program to help ensure all <b>contracts</b> are fully executed with all required approvals, signatures and the City Seal.</p> <p>4. All contracts will go through contract routing and <b>LaserFiche</b> will serve as the contract repository.</p> <p><b>Responsible Party:</b> Chief Financial Officer or designee</p> <p><b>Implementation Date:</b> 03/31/2018</p>	<p>A training module has been prepared and will be delivered to staff using PowerDMS.</p>	<p>A training module has been prepared and will be delivered to staff using PowerDMS.</p>
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**A2018-01 Evidence and Property Management**

1.1	<p>The Office of Internal Audit recommends management establish internal controls to ensure personnel are in compliance with North Carolina General Statutes and operating procedures. Some possible areas where internal controls should be established based on Internal Audit's observations include the following, but are not limited to:</p> <p>1. An annual audit of all areas where property and evidence are maintained, to include the Forensic Evidence Unit storage lockers and drying room located in the Public Administrative Building garage;</p>	<p>The review of the entire Police Department Evidence and Property Operating Procedure Policy is being addressed to ensure the implementation of an updated policy will cover operational and legal restrictions. The Police Department will await the research and recommendations from the City of Fayetteville Police Attorneys who have been working to find the best operating procedure policy to recommend to the Police Department. Once the recommendations have been submitted, the Police Department will update departmental operating procedure policies to ensure they are in compliance with the listed recommendations regarding of audits and inspections of the unit. The Police Department always conducts training when a new policy is updated or created for all the employees, when procedures are changed extensively it will require even more training. There are also times when the training can be</p>	<p><b>Implemented</b></p> <p>The Evidence and Property Operating Procedures have been updated and reviewed by the Police Attorney. The policies will be staffed and become effective May 1, 2020. All employees upon signing into PowerDMS, will review and acknowledge the new procedures to all persons who are responsible for handling evidence.</p>	<p><b>Implemented</b></p> <p>The Evidence and Property Operating Procedures have been updated and reviewed by the Police Attorney. The policies will be staffed and become effective May 1, 2020. All employees upon signing into PowerDMS, will review and acknowledge the new procedures to all persons who are responsible for handling evidence.</p>
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**A2018-01 Evidence and Property Management**

		<p>placed on our PowerDMS platform as a video in order to be able to go back to review again as a refresher training when employees have deficiencies.</p> <p><b>Responsible Party:</b> Specialized Services Division Commander</p> <p><b>Implementation Date:</b> 03/10/2019</p>		
1.2	<p>The Office of Internal Audit recommends management establish internal controls to ensure personnel are in compliance with North Carolina General Statutes and operating procedures. Some possible areas where internal controls should be established based on Internal Audit's observations include the following, but are not limited to:</p> <p>2. Documentation representing review of the audits and inspections of the Property and Evidence Unit by management should be maintained to ensure management is aware of potential issues;</p>	<p>The review of the entire Police Department Evidence and Property Operating Procedure Policy is being addressed to ensure the implementation of an updated policy will cover operational and legal restrictions. The Police Department will await the research and recommendations from the City of Fayetteville Police Attorneys who have been working to find the best operating procedure policy to recommend to the Police Department. Once the recommendations have been submitted, the Police Department will update departmental operating procedure policies to ensure they are in compliance with the listed</p>	<b>Implemented</b>	<p style="text-align: center;"><b>Implemented</b></p> <p>The Evidence and Property Operating Procedures have been updated and reviewed by the Police Attorney. The policies will be staffed and become effective May 1, 2020. All employees upon signing into PowerDMS, will review and acknowledge the new procedures to all persons who are responsible for handling evidence.</p>

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**A2018-01 Evidence and Property Management**

		<p>recommendations regarding of audits and inspections of the unit. The Police Department always conducts training when a new policy is updated or created for all the employees, when procedures are changed extensively it will require even more training. There are also times when the training can be placed on our PowerDMS platform as a video in order to be able to go back to review again as a refresher training when employees have deficiencies.</p> <p><b>Responsible Party:</b> Specialized Services Division Commander</p> <p><b>Implementation Date:</b> 03/10/2019</p>		
1.3	The Office of Internal Audit recommends management establish internal controls to ensure personnel are in compliance with North Carolina General Statutes and operating procedures. Some possible areas where internal controls should be established based on Internal Audit's	The review of the entire Police Department Evidence and Property Operating Procedure Policy is being addressed to ensure the implementation of an updated policy will cover operational and legal restrictions. The Police Department will await the research and recommendations from the City of Fayetteville Police Attorneys who	<b>Implemented</b>  The Evidence and Property Operating Procedures have been updated and reviewed by the Police Attorney. The policies will be staffed and become effective May 1, 2020. All employees upon signing into PowerDMS, will review and	<b>Implemented</b>  The Evidence and Property Operating Procedures have been updated and reviewed by the Police Attorney. The policies will be staffed and become effective May 1, 2020. All employees upon signing into PowerDMS, will review and

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**A2018-01 Evidence and Property Management**

	<p>observations include the following, but are not limited to:</p> <p>3. A special audit should be conducted for ALL types of property and evidence when there is a transition of personnel in and out of the Property and Evidence Unit;</p>	<p>have been working to find the best operating procedure policy to recommend to the Police Department. Once the recommendations have been submitted, the Police Department will update departmental operating procedure policies to ensure they are in compliance with the listed recommendations regarding of audits and inspections of the unit. The Police Department always conducts training when a new policy is updated or created for all the employees, when procedures are changed extensively it will require even more training. There are also times when the training can be placed on our PowerDMS platform as a video in order to be able to go back to review again as a refresher training when employees have deficiencies.</p> <p><b>Responsible Party:</b> Specialized Services Division Commander</p> <p><b>Implementation Date:</b> 03/10/2019</p>	<p>acknowledge the new procedures to all persons who are responsible for handling evidence.</p> <p>The special audit and announced inspection were conducted in tandem with one another during July 2019 due to the proximity of new personnel being assigned to the Evidence and Property room.</p>	<p>acknowledge the new procedures to all persons who are responsible for handling evidence.</p> <p>The special audit and announced inspection were conducted in tandem with one another during July 2019 due to the proximity of new personnel being assigned to the Evidence and Property room.</p>
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**A2018-01 Evidence and Property Management**

1.4	<p>The Office of Internal Audit recommends management establish internal controls to ensure personnel are in compliance with North Carolina General Statutes and operating procedures. Some possible areas where internal controls should be established based on Internal Audit's observations include the following, but are not limited to:</p> <p>4. Determine the circumstances when property receipts are required, the personnel responsible to maintain them and ensure they are issued accordingly;</p>	<p>The review of the entire Police Department Evidence and Property Operating Procedure Policy is being addressed to ensure the implementation of an updated policy will cover operational and legal restrictions. The Police Department will await the research and recommendations from the City of Fayetteville Police Attorneys who have been working to find the best operating procedure policy to recommend to the Police Department. Once the recommendations have been submitted, the Police Department will update departmental operating procedure policies to ensure they are in compliance with the listed recommendations regarding of audits and inspections of the unit. The Police Department always conducts training when a new policy is updated or created for all the employees, when procedures are changed extensively it will require even more training. There are also times when the training can be</p>	<p><b>Implemented</b></p> <p>The Evidence and Property Operating Procedures have been updated and reviewed by the Police Attorney. The policies will be staffed and become effective May 1, 2020. All employees upon signing into PowerDMS, will review and acknowledge the new procedures to all persons who are responsible for handling evidence.</p>	<p><b>Implemented</b></p> <p>The Evidence and Property Operating Procedures have been updated and reviewed by the Police Attorney. The policies will be staffed and become effective May 1, 2020. All employees upon signing into PowerDMS, will review and acknowledge the new procedures to all persons who are responsible for handling evidence.</p>
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**A2018-01 Evidence and Property Management**

		<p>placed on our PowerDMS platform as a video in order to be able to go back to review again as a refresher training when employees have deficiencies.</p> <p><b>Responsible Party:</b> Specialized Services Division Commander</p> <p><b>Implementation Date:</b> 03/10/2019</p>		
1.5	<p>The Office of Internal Audit recommends management establish internal controls to ensure personnel are in compliance with North Carolina General Statutes and operating procedures. Some possible areas where internal controls should be established based on Internal Audit’s observations include the following, but are not limited to:</p> <p>5. Complete and accurate descriptions of property and evidence should be documented, to include completing the database fields required within RMS;</p>	<p>The review of the entire Police Department Evidence and Property Operating Procedure Policy is being addressed to ensure the implementation of an updated policy will cover operational and legal restrictions. The Police Department will await the research and recommendations from the City of Fayetteville Police Attorneys who have been working to find the best operating procedure policy to recommend to the Police Department. Once the recommendations have been submitted, the Police Department will update departmental operating procedure policies to ensure they are</p>	<b>Implemented</b>	<p><b>Implemented</b></p> <p>The Evidence and Property Operating Procedures have been updated and reviewed by the Police Attorney. The policies will be staffed and become effective May 1, 2020. All employees upon signing into PowerDMS, will review and acknowledge the new procedures to all persons who are responsible for handling evidence.</p>



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**A2018-01 Evidence and Property Management**

		<p>in compliance with the listed recommendations regarding of audits and inspections of the unit. The Police Department always conducts training when a new policy is updated or created for all the employees, when procedures are changed extensively it will require even more training. There are also times when the training can be placed on our PowerDMS platform as a video in order to be able to go back to review again as a refresher training when employees have deficiencies.</p> <p><b>Responsible Party:</b> Specialized Services Division Commander</p> <p><b>Implementation Date:</b> 03/10/2019</p>		
1.6	The Office of Internal Audit recommends management establish internal controls to ensure personnel are in compliance with North Carolina General Statutes and operating procedures. Some possible areas where internal controls should be established based on Internal Audit's	The review of the entire Police Department Evidence and Property Operating Procedure Policy is being addressed to ensure the implementation of an updated policy will cover operational and legal restrictions. The Police Department will await the research and recommendations from the City of	<p><b>Implemented</b></p> <p>The Evidence and Property Operating Procedures have been updated and reviewed by the Police Attorney. The policies will be staffed and become effective May 1, 2020. All employees upon signing into</p>	<p><b>Implemented</b></p> <p>The Evidence and Property Operating Procedures have been updated and reviewed by the Police Attorney. The policies will be staffed and become effective May 1, 2020. All employees upon signing into</p>

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**A2018-01 Evidence and Property Management**

	<p>observations include the following, but are not limited to:</p> <p>6. Stolen checks should be generated for ALL firearms to determine if they have been reported stolen;</p>	<p>Fayetteville Police Attorneys who have been working to find the best operating procedure policy to recommend to the Police Department. Once the recommendations have been submitted, the Police Department will update departmental operating procedure policies to ensure they are in compliance with the listed recommendations regarding of audits and inspections of the unit. The Police Department always conducts training when a new policy is updated or created for all the employees, when procedures are changed extensively it will require even more training. There are also times when the training can be placed on our PowerDMS platform as a video in order to be able to go back to review again as a refresher training when employees have deficiencies.</p> <p><b>Responsible Party:</b> Specialized Services Division Commander</p> <p><b>Implementation Date:</b> 03/10/2019</p>	<p>PowerDMS, will review and acknowledge the new procedures to all persons who are responsible for handling evidence.</p>	<p>PowerDMS, will review and acknowledge the new procedures to all persons who are responsible for handling evidence.</p>
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1.7	<p>The Office of Internal Audit recommends management establish internal controls to ensure personnel are in compliance with North Carolina General Statutes and operating procedures. Some possible areas where internal controls should be established based on Internal Audit's observations include the following, but are not limited to:</p> <p>7. Documentation should be maintained showing the firearm was entered in the Recovered Gun File.</p>	<p>The review of the entire Police Department Evidence and Property Operating Procedure Policy is being addressed to ensure the implementation of an updated policy will cover operational and legal restrictions. The Police Department will await the research and recommendations from the City of Fayetteville Police Attorneys who have been working to find the best operating procedure policy to recommend to the Police Department. Once the recommendations have been submitted, the Police Department will update departmental operating procedure policies to ensure they are in compliance with the listed recommendations regarding of audits and inspections of the unit. The Police Department always conducts training when a new policy is updated or created for all the employees, when procedures are changed extensively it will require even more training. There are also times when the training can be</p>	<p><b>Implemented</b></p> <p>Documentation is maintained showing the firearm was entered in the Recovered Gun File. Weapons stored in evidence longer than 2 years will be removed this file due to DCI rules.</p> <p>NO change to this, this is a process that was already in place at the time of the audit.</p>	<p><b>Implemented</b></p> <p>Documentation is maintained showing the firearm was entered in the Recovered Gun File. Weapons stored in evidence longer than 2 years will be removed this file due to DCI rules.</p> <p>NO change to this, this is a process that was already in place at the time of the audit.</p>
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		<p>placed on our PowerDMS platform as a video in order to be able to go back to review again as a refresher training when employees have deficiencies.</p> <p><b>Responsible Party:</b> Specialized Services Division Commander</p> <p><b>Implementation Date:</b> 03/10/2019</p>		
1.8	<p>Additionally, the Office of Internal Audit recommends the Fayetteville Police Department review the training and guidelines given to officers/detectives on property and evidence processing, and educate them on the impact if property and evidence is not processed correctly. Refresher training should be provided to all applicable Department personnel on ALL property and evidence operating procedures.</p>	<p>The review of the entire Police Department Evidence and Property Operating Procedure Policy is being addressed to ensure the implementation of an updated policy will cover operational and legal restrictions. The Police Department will await the research and recommendations from the City of Fayetteville Police Attorneys who have been working to find the best operating procedure policy to recommend to the Police Department. Once the recommendations have been submitted, the Police Department will update departmental operating procedure policies to ensure they are</p>	<p><b>Implemented</b></p> <p>The Evidence and Property Operating Procedures have been updated and reviewed by the Police Attorney. The policies will be staffed and become effective May 1, 2020. All employees upon signing into PowerDMS, will review and acknowledge the new procedures to all persons who are responsible for handling evidence.</p>	<p><b>Implemented</b></p> <p>The Evidence and Property Operating Procedures have been updated and reviewed by the Police Attorney. The policies will be staffed and become effective May 1, 2020. All employees upon signing into PowerDMS, will review and acknowledge the new procedures to all persons who are responsible for handling evidence.</p>

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		<p>in compliance with the listed recommendations regarding of audits and inspections of the unit. The Police Department always conducts training when a new policy is updated or created for all the employees, when procedures are changed extensively it will require even more training. There are also times when the training can be placed on our PowerDMS platform as a video in order to be able to go back to review again as a refresher training when employees have deficiencies.</p> <p><b>Responsible Party:</b> Specialized Services Division Commander</p> <p><b>Implementation Date:</b> 03/10/2019</p>		
2.1	<p>Conduct a full and complete inventory of all currency to determine the amount being maintained in the Property and Evidence Unit, to include counterfeit and foreign currency. Records within RMS should be updated accordingly.</p>	<p>The implementation of this recommendation is contingent upon our research and is awaiting recommendations for the implementation of cash handling procedural processes. This will also depend on the creation of a bank account for the storage of funds and</p>	<p><b>Implemented</b></p> <p>The special audit and announced inspection were conducted in tandem with one another during July 2019 due to the proximity of new personnel being assigned</p>	<p><b>Implemented</b></p> <p>The special audit and announced inspection were conducted in tandem with one another during July 2019 due to the proximity of new personnel being assigned</p>

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		<p>communication with the District Attorney’s Office to determine if any funds will not be able to go into the financial institution. Currently, request has been made to the Finance Department for assistance. Counterfeit money will not be able to be held in the financial institution and will for the most part be turned over to the Secret Service. Foreign currency will be discussed with the financial institution for recommendations on how to handle. With the expectation of implementing cash handling procedures and transferring the funds into a financial institution, an inventory will be conducted simultaneously and RMS will be updated accordingly.</p> <p><b>Responsible Party:</b> Specialized Services Division Commander</p> <p><b>Implementation Date:</b> 03/10/2019</p>	to the Evidence and Property room.	to the Evidence and Property room.
2.2	Amend Operating Procedure 6.2 to provide clear guidance consisting of defining database fields and use	This will be addressed with the updated Operating Procedure 6.2	<b>Implemented</b>	<b>Implemented</b>

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	of coding for all types of property and evidence in RMS; to include how debit, credit, gift or EBT cards and check or money orders should be classified and stored.	that the City of Fayetteville Police Attorneys are currently working on.  <b>Responsible Party:</b> Specialized Services Division Commander  <b>Implementation Date:</b> 03/10/2019	The Evidence and Property Operating Procedures have been updated and reviewed by the Police Attorney. The policies will be staffed and become effective May 1, 2020. All employees upon signing into PowerDMS, will review and acknowledge the new procedures to all persons who are responsible for handling evidence.	The Evidence and Property Operating Procedures have been updated and reviewed by the Police Attorney. The policies will be staffed and become effective May 1, 2020. All employees upon signing into PowerDMS, will review and acknowledge the new procedures to all persons who are responsible for handling evidence.
2.3	Review the property and evidence items converted from Visionaire RMS to ONESolution RMS to determine if disposing is an option. As these items are being disposed based on the current legal, approved procedures, the missing and inconsistent information should be reviewed and updated at that time.	This will be addressed once the renovation of the first floor of the Police Department is completed, it will allow for more physical space to move items off the shelf and complete an accurate inventory when we move items for management of property/evidence items and more storage evaluation for evidence. This inventory will also provide the opportunity to ensure property and evidence items in ONESolution RMS, specifically converted data, are accurate and complete.	<b>Implemented</b>  Any item that is destroyed at this time, must have a court order for destruction in place for it to be completed. The department currently requires a court order for any destruction.  This remains a continual process as items are identified and categorized from Visionaire RMS to ONESolution RMS.	<b>Implemented</b>  Any item that is destroyed at this time, must have a court order for destruction in place for it to be completed. The department currently requires a court order for any destruction.  This remains a continual process as items are identified and categorized from Visionaire RMS to ONESolution RMS.

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		<p><b>Responsible Party:</b> Specialized Services Division Commander</p> <p><b>Implementation Date:</b> 03/10/2019</p>		
2.4	For all other items required to be maintained, management should determine if the costs of using resources to “clean up” the data in ONESolution RMS for property and evidence outweigh the risk of missing and inconsistent data. Once management determines what risks are unacceptable, a process should be established to update any data for which an update is considered necessary.	<p>This process of “clean up” involves a transition of information that occurred 7-8 year ago from an outdated RMS program to the OneSolution RMS program being used. The transition was done in such a manner that all the data was not transitioned clearly enough to verify the items. A quote will have to be acquired from a vendor working with IT to determine recommendation if it is even possible, feasibility and the financial impact before this can be completed.</p> <p><b>Responsible Party:</b> Specialized Services Division Commander</p> <p><b>Implementation Date:</b> 03/10/2019</p>	<p><b>Not implemented</b></p> <p>This recommendation has not been implemented as the associated cost extends over \$100,000 and funding is not available.</p>	<p><b>Not implemented</b></p> <p>This recommendation has not been implemented as the associated cost extends over \$100,000 and funding is not available.</p>
3.1	Management should consider having RMS Administration supervised by the Information Technology Department. This should not only alleviate the current	The RMS Administrator’s function and oversight is not a conflict of interest regarding segregation of duties. We do agree including additional personnel to support the	Management did not concur and will not be implementing this recommendation.	Management did not concur and will not be implementing this recommendation.



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	conflict of interest but would allow personnel to supervise this position with knowledge of the need for segregation of duties, access controls and security over RMS.	RMS Administrators functions in order to not have a single point of failure if they are away.		
3.2	Management should implement formal written procedures for software user account management to include developing a process to periodically review the access list and identify authorized users of RMS and specify access rights.	<p>We will ensure we follow the City of Fayetteville’s Information Technology standards for the maintenance of software user account management. We have already began developing an accountability form for each employee which will determine the user rights and restrictions depending on their position within the department. As the Property and Evidence Operational Procedures policy is established, we will determine if the written procedure needs to be included in that policy. As personnel move throughout the department an updated form for identifying authorized users of RMS will be updated.</p> <p><b>Responsible Party:</b> Specialized Services Division Commander</p> <p><b>Implementation Date:</b> 03/10/2019</p>	<p><b>Implemented</b></p> <p>The Evidence and Property Operating Procedures have been updated and reviewed by the Police Attorney. The policies will be staffed and become effective May 1, 2020. All employees upon signing into PowerDMS, will review and acknowledge the new procedures to all persons who are responsible for handling evidence.</p>	<p><b>Implemented</b></p> <p>The Evidence and Property Operating Procedures have been updated and reviewed by the Police Attorney. The policies will be staffed and become effective May 1, 2020. All employees upon signing into PowerDMS, will review and acknowledge the new procedures to all persons who are responsible for handling evidence.</p>

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3.3	Management should check with Superior to determine if RMS can be updated to assign the PR# after the record has been saved. If not, management should look at the process which allows Department personnel to cancel out of a record after the PR# has been assigned to determine if a change in the process could prevent the need for Department personnel to cancel out of the record. If a process cannot be established to prevent this, determine if a process can be implemented which would allow approval and tracking when a record is canceled after the PR# has been assigned.	<p>We have confirmed the software does not have any options outside the process we have implemented. We have established a process and approval/tracking system that will ensure the person updating the error is the actual person submitting the evidence. Management will also attempt to determine what the commonality of the errors were (3,572 PR#'s). Whereas, management will review discrepancies to attempt to reduce the errors and improve efficiency, reduce rework.</p> <p><b>Responsible Party:</b> Specialized Services Division Commander</p> <p><b>Implementation Date:</b> 03/10/2019</p>	<p><b>Implemented</b></p> <p>When a record is cancelled out of the system, an email is sent to the Database Manager detailing why the record needs to be cancelled. This is a requirement for this action to be completed.</p>	<p><b>Implemented</b></p> <p>When a record is cancelled out of the system, an email is sent to the Database Manager detailing why the record needs to be cancelled. This is a requirement for this action to be completed.</p>
4.1	Continue to research the whereabouts of the two items missing and notify the courts and attorneys as deemed necessary.	When items are missing and unable to be located, the chain of command will be notified with a memorandum and a supplemental report will be established and entered for records. The process of notifications will include any courts or attorneys	<p><b>Implemented</b></p> <p>While locating items for destruction, these items were located and have been placed in the correct locations and updated in RMS.</p>	<p><b>Implemented</b></p> <p>While locating items for destruction, these items were located and have been placed in the correct locations and updated in RMS.</p>

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		<p>which need notification related to an investigation.</p> <p><b>Responsible Party:</b> Specialized Services Division Commander <b>Implementation Date:</b> 03/10/2019</p>		
4.2	<p>Procedures for notifying management, to include Police Attorney, should be established when property and evidence is designated missing.</p>	<p>When items are missing and unable to be located, the chain of command will be notified with a memorandum and a supplemental report will be established and entered for records. The process of notifications will include any courts or attorneys which need notification related to an investigation.</p> <p><b>Responsible Party:</b> Specialized Services Division Commander <b>Implementation Date:</b> 03/10/2019</p>	<p><b>Implemented</b></p> <p>A process has been established when items are missing and unable to be located.</p>	<p><b>Implemented</b></p> <p>A process has been established when items are missing and unable to be located.</p>
4.3	<p>Quarterly audits for high-risk items, cash, firearms, narcotics and jewelry, should be considered until steps can be taken to improve data integrity and reduce the inventory level of property and evidence through the disposal process.</p>	<p>Random quarterly audits are important for high value items and the property room as a whole. Upon the completion of Operating Procedure 6.2 this will be evaluated to determine if we will restrict this to only the high risk items or include</p>	<p><b>Implemented</b></p> <p>A quarterly audit will be conducted with the appropriate sampling size of high risk items. During the 2<sup>nd</sup> Quarter of each year, the quarterly audit and</p>	<p><b>Implemented</b></p> <p>A quarterly audit will be conducted with the appropriate sampling size of high risk items. During the 2<sup>nd</sup> Quarter of each year, the quarterly audit and</p>

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		<p>more random audits for the entire Property and Evidence Unit.</p> <p>As the City of Fayetteville Police Attorneys are researching and evaluating other operating procedural policies to make recommendations for changes. The operating procedural policy will address the manner in which audits are completed.</p> <p><b>Responsible Party:</b> Specialized Services Division Commander</p> <p><b>Implementation Date:</b> 03/10/2019</p>	annual inspection will coincide with one another.	annual inspection will coincide with one another.
5.1	The Office of Internal Audit recommends management amend written operating procedures to ensure consistency and reliability of information and provide adherence to laws and regulations. Additionally, not only should management amend the operating procedures specifically referred to in this audit, but all operating procedures in which evidence and property management is addressed.	<p>The updated Operating Procedure 6.2 will clearly identify these matters and the Evidence Room Staff will be tasked with following those processes and checking for accuracy.</p> <p><b>Responsible Party:</b> Specialized Services Division Commander</p> <p><b>Implementation Date:</b> 03/10/2019</p>	<p><b>Implemented</b></p> <p>The Evidence and Property Operating Procedures have been updated and reviewed by the Police Attorney. The policies will be staffed and become effective May 1, 2020. All employees upon signing into PowerDMS, will review and acknowledge the new procedures to all persons who</p>	<p><b>Implemented</b></p> <p>The Evidence and Property Operating Procedures have been updated and reviewed by the Police Attorney. The policies will be staffed and become effective May 1, 2020. All employees upon signing into PowerDMS, will review and acknowledge the new procedures to all persons who</p>

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	<p>The procedures should be amended to include sufficient guidance to allow an individual who is unfamiliar with the operations to perform the necessary activities. Finally, subject matter experts should be included in updating and reviewing the procedures to ensure only attainable and realistic requirements are included.</p> <p>Some possible improvements to operating procedures based on Internal Audit’s observations include the following, but are not limited to:</p> <ol style="list-style-type: none"> <li>1. Specific requirements should be listed to ensure sufficient and consistent descriptions are documented for all property and evidence;</li> </ol>		are responsible for handling evidence.	are responsible for handling evidence.
5.2	The Office of Internal Audit recommends management amend written operating procedures to ensure consistency and reliability of information and provide adherence to laws and regulations. Additionally, not only should	The updated Operating Procedure 6.2 will clearly identify these matters and the Evidence Room Staff will be tasked with following those processes and checking for accuracy.	<b>Implemented</b> The Evidence and Property Operating Procedures have been updated and reviewed by the Police Attorney. The policies will be staffed and become	<b>Implemented</b> The Evidence and Property Operating Procedures have been updated and reviewed by the Police Attorney. The policies will be staffed and become

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<b>A2018-01 Evidence and Property Management</b>				
	<p>management amend the operating procedures specifically referred to in this audit, but all operating procedures in which evidence and property management is addressed. The procedures should be amended to include sufficient guidance to allow an individual who is unfamiliar with the operations to perform the necessary activities. Finally, subject matter experts should be included in updating and reviewing the procedures to ensure only attainable and realistic requirements are included. Some possible improvements to operating procedures based on Internal Audit's observations include the following, but are not limited to:</p> <p>2. Clear realistic expectations of personnel's responsibilities to ensure the accuracy of the description, type, and amount of property should be clarified;</p>	<p><b>Responsible Party:</b> Specialized Services Division Commander</p> <p><b>Implementation Date:</b> 03/10/2019</p>	<p>effective May 1, 2020. All employees upon signing into PowerDMS, will review and acknowledge the new procedures to all persons who are responsible for handling evidence.</p>	<p>effective May 1, 2020. All employees upon signing into PowerDMS, will review and acknowledge the new procedures to all persons who are responsible for handling evidence.</p>
5.3	The Office of Internal Audit recommends management amend	The procedures will be updated to reflect that the responsible Officers	<b>Implemented</b>	<b>Implemented</b>

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	<p>written operating procedures to ensure consistency and reliability of information and provide adherence to laws and regulations. Additionally, not only should management amend the operating procedures specifically referred to in this audit, but all operating procedures in which evidence and property management is addressed. The procedures should be amended to include sufficient guidance to allow an individual who is unfamiliar with the operations to perform the necessary activities. Finally, subject matter experts should be included in updating and reviewing the procedures to ensure only attainable and realistic requirements are included.</p> <p>Some possible improvements to operating procedures based on Internal Audit’s observations include the following, but are not limited to:</p>	<p>will weigh narcotics prior to being packaged and entered into the Property and Evidence Room. If the narcotics are forwarded to the laboratory then the lab will be responsible for the accurate measuring of the narcotics. If the narcotics do not go to the laboratory, then the responsible officer’s weight prior to being packaged will be used as the weight on record.</p> <p><b>Responsible Party:</b> Specialized Services Division Commander</p> <p><b>Implementation Date:</b> 03/10/2019</p>	<p>The Evidence and Property Operating Procedures have been updated and reviewed by the Police Attorney. The policies will be staffed and become effective May 1, 2020. All employees upon signing into PowerDMS, will review and acknowledge the new procedures to all persons who are responsible for handling evidence.</p>	<p>The Evidence and Property Operating Procedures have been updated and reviewed by the Police Attorney. The policies will be staffed and become effective May 1, 2020. All employees upon signing into PowerDMS, will review and acknowledge the new procedures to all persons who are responsible for handling evidence.</p>
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	3. Address how the weight of narcotic evidence is to be determined and the requirements for determining the weight if the narcotic evidence does not go to a laboratory;			
5.4	<p>The Office of Internal Audit recommends management amend written operating procedures to ensure consistency and reliability of information and provide adherence to laws and regulations. Additionally, not only should management amend the operating procedures specifically referred to in this audit, but all operating procedures in which evidence and property management is addressed. The procedures should be amended to include sufficient guidance to allow an individual who is unfamiliar with the operations to perform the necessary activities. Finally, subject matter experts should be included in updating and reviewing the procedures to ensure</p>	<p>The updated Operating Procedure 6.2 will accurately address these concerns and implementation will be monitored by the Evidence Room Staff.</p> <p>The City of Fayetteville Police Attorneys are reviewing the Operating Procedure Policy for recommendations to updating to ensure this will address the procedure for items entering Property. Property will not be accepted into the evidence room without all field completed or addressed in RMS. This will be the submitting officer's responsibility to complete.</p> <p><b>Responsible Party:</b> Specialized Services Division Commander</p>	<p><b>Implemented</b></p> <p>The Evidence and Property Operating Procedures have been updated and reviewed by the Police Attorney. The policies will be staffed and become effective May 1, 2020. All employees upon signing into PowerDMS, will review and acknowledge the new procedures to all persons who are responsible for handling evidence.</p> <p>The SBI Laboratory has increased their response time of examinations and remains the primary laboratory for evidentiary purposes.</p>	<p><b>Implemented</b></p> <p>The Evidence and Property Operating Procedures have been updated and reviewed by the Police Attorney. The policies will be staffed and become effective May 1, 2020. All employees upon signing into PowerDMS, will review and acknowledge the new procedures to all persons who are responsible for handling evidence.</p> <p>The SBI Laboratory has increased their response time of examinations and remains the primary laboratory for evidentiary purposes.</p>



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	<p>only attainable and realistic requirements are included.</p> <p>Some possible improvements to operating procedures based on Internal Audit’s observations include the following, but are not limited to:</p> <p>4. Update procedures on the process change of using laboratories other than SBI;</p>	<b>Implementation Date:</b> 03/10/2019		
5.5	<p>The Office of Internal Audit recommends management amend written operating procedures to ensure consistency and reliability of information and provide adherence to laws and regulations. Additionally, not only should management amend the operating procedures specifically referred to in this audit, but all operating procedures in which evidence and property management is addressed. The procedures should be amended to include sufficient guidance to allow an individual who is unfamiliar with the operations to perform the necessary activities.</p>	<p>The updated Operating Procedure 6.2 will accurately address these concerns and implementation will be monitored by the Evidence Room Staff.</p> <p>The City of Fayetteville Police Attorneys are reviewing the Operating Procedure Policy for recommendations to updating to ensure this will address the procedure for items entering Property. Property will not be accepted into the evidence room without all fields completed or addressed in RMS. This will be the</p>	<b>Implemented</b>	<b>Implemented</b>
			<p>The Evidence and Property Operating Procedures have been updated and reviewed by the Police Attorney. The policies will be staffed and become effective May 1, 2020. All employees upon signing into PowerDMS, will review and acknowledge the new procedures to all persons who are responsible for handling evidence.</p>	<p>The Evidence and Property Operating Procedures have been updated and reviewed by the Police Attorney. The policies will be staffed and become effective May 1, 2020. All employees upon signing into PowerDMS, will review and acknowledge the new procedures to all persons who are responsible for handling evidence.</p>

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	<p>Finally, subject matter experts should be included in updating and reviewing the procedures to ensure only attainable and realistic requirements are included.</p> <p>Some possible improvements to operating procedures based on Internal Audit's observations include the following, but are not limited to:</p> <p>5. Clarify what types of property and evidence can be opened to include the persons allowed to open each specific type of property and evidence;</p>	<p>submitting officer's responsibility to complete.</p> <p><b>Responsible Party:</b> Specialized Services Division Commander</p> <p><b>Implementation Date:</b> 03/10/2019</p>		
5.6	<p>The Office of Internal Audit recommends management amend written operating procedures to ensure consistency and reliability of information and provide adherence to laws and regulations. Additionally, not only should management amend the operating procedures specifically referred to in this audit, but all operating procedures in which evidence and</p>	<p>The updated Operating Procedure 6.2 will accurately address these concerns and implementation will be monitored by the Evidence Room Staff.</p> <p>The City of Fayetteville Police Attorneys are reviewing the Operating Procedure Policy for recommendations to updating to ensure this will address the</p>	<p><b>Implemented</b></p> <p>The Evidence and Property Operating Procedures have been updated and reviewed by the Police Attorney. The policies will be staffed and become effective May 1, 2020. All employees upon signing into PowerDMS, will review and acknowledge the new</p>	<p><b>Implemented</b></p> <p>The Evidence and Property Operating Procedures have been updated and reviewed by the Police Attorney. The policies will be staffed and become effective May 1, 2020. All employees upon signing into PowerDMS, will review and acknowledge the new</p>

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	<p>property management is addressed. The procedures should be amended to include sufficient guidance to allow an individual who is unfamiliar with the operations to perform the necessary activities. Finally, subject matter experts should be included in updating and reviewing the procedures to ensure only attainable and realistic requirements are included.</p> <p>Some possible improvements to operating procedures based on Internal Audit’s observations include the following, but are not limited to:</p> <p>6. Review and update operating procedures for areas impacted when ONESolution RMS was implemented.</p>	<p>procedure for items entering Property. Property will not be accepted into the evidence room without all field completed or addressed in RMS. This will be the submitting officer’s responsibility to complete.</p> <p><b>Responsible Party:</b> Specialized Services Division Commander</p> <p><b>Implementation Date:</b> 03/10/2019</p>	<p>procedures to all persons who are responsible for handling evidence.</p>	<p>procedures to all persons who are responsible for handling evidence.</p>
6	<p>Management should review and update the operating procedure as deemed applicable to ensure Department personnel understand the importance of the guidelines related to biohazard labeling and</p>	<p>The Evidence Room Operating Policy re-write and the follow through and implementation of that policy.</p>	<p><b>Implemented</b></p> <p>The Evidence and Property Operating Procedures have been updated and reviewed by the Police Attorney. The policies</p>	<p><b>Implemented</b></p> <p>The Evidence and Property Operating Procedures have been updated and reviewed by the Police Attorney. The policies</p>

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	appropriate storage of food and liquid beverages.	<p><b>Responsible Party:</b> Specialized Services Division Commander</p> <p><b>Implementation Date:</b> 03/10/2019</p>	will be staffed and become effective May 1, 2020. All employees upon signing into PowerDMS, will review and acknowledge the new procedures to all persons who are responsible for handling evidence.	will be staffed and become effective May 1, 2020. All employees upon signing into PowerDMS, will review and acknowledge the new procedures to all persons who are responsible for handling evidence.
7.1	If currency continues to be maintained in the Property and Evidence Unit, Internal Audit recommends management consider maintaining the currency in fireproof safes.	<p>A review of cost to purchase and implement a camera system and an appropriate fire proof safe is being researched. The primary focus is to remove the bulk of the currency to a non-interest bearing bank account.</p> <p><b>Responsible Party:</b> Specialized Services Division Commander</p> <p><b>Implementation Date:</b> 03/10/2019</p>	<p><b>Implemented</b></p> <p>While the primary objective remains to remove the bulk of the currency to a non-interest bearing bank account; a fireproof safe was purchased and installed in the Property and Evidence Unit.</p> <p>Additionally, a non-interest bearing bank account has been established but it will take time to complete all deposits.</p>	<p><b>Implemented</b></p> <p>While the primary objective remains to remove the bulk of the currency to a non-interest bearing bank account; a fireproof safe was purchased and installed in the Property and Evidence Unit.</p> <p>Additionally, a non-interest bearing bank account has been established but it will take time to complete all deposits.</p>
7.2	In addition, Internal Audit recommends working cameras be installed and utilized to provide surveillance in all areas where property and evidence are stored.	<p>A review of cost to purchase and implement a camera system and an appropriate fire proof safe is being researched. The primary focus is to remove the bulk of the currency to a non-interest bearing bank account.</p>	<p><b>Implemented</b></p> <p>The camera install was completed on October 10, 2018 and all are operational.</p>	<p><b>Implemented</b></p> <p>The camera install was completed on October 10, 2018 and all are operational.</p>

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		<p><b>Responsible Party:</b> Specialized Services Division Commander</p> <p><b>Implementation Date:</b> 03/10/2019</p>		
8	<p>Management should determine if these delays in time between when the property and evidence was seized and turned over to the Property and Evidence Unit’s custody appear reasonable and appropriate. If it appears appropriate, management should ensure the process is sufficient to safeguard the items and ensure the integrity of the chain of custody is maintained.</p>	<p>The Police Department conducted the research regarding the listed items found the following:</p> <ul style="list-style-type: none"> <li>• Reviewed all cases that were identified by the audit team and each case was a prolonged narcotic investigation that began on a date but continued for a length of time afterward.</li> <li>• As the officers continued the investigation, they would purchase narcotics or complete a search warrant and seize items on a date that was different from the original report.</li> <li>• The officer entering those items into the Evidence Module would allow the system to auto-populate the location and date and time in the evidence module, the error occurs here because the system pulls in the original reporting information from the first report.</li> </ul>	<b>Implemented</b>	<b>Implemented</b>

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		<ul style="list-style-type: none"> <li>• The evidence staff has been trained and instructed not to accept this and have the officer update the information.</li> <li>• The narcotic unit has also been trained to not rely on the auto-populate feature.</li> <li>• No documented issues since this change.</li> </ul> <p>If they should occur in the future and it is not a result of the above auto population process, the Evidence Room Staff will bring this to attention of the officer’s Chain of Command for correction or investigation.</p> <p><b>Responsible Party:</b> Specialized Services Division Commander</p> <p><b>Implementation Date:</b> 03/10/2019</p>		
9	The Office of Internal Audit recommends management refer to IAPE Standard 9.6 through 9.8 on the destruction of drugs to incorporate these standards in the processes utilized by the Department, and update written	The Evidence Room Operating Procedure Policy will be re-written and include the standards based on best practice.  <b>Responsible Party:</b> Specialized Services Division Commander	<b>Implemented</b>  The Evidence and Property Operating Procedures have been updated and reviewed by the Police Attorney. The policies will be staffed and become	<b>Implemented</b>  The Evidence and Property Operating Procedures have been updated and reviewed by the Police Attorney. The policies will be staffed and become

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	operating procedures based on the management approved process.	<b>Implementation Date:</b> 03/10/2019	effective May 1, 2020. All employees upon signing into PowerDMS, will review and acknowledge the new procedures to all persons who are responsible for handling evidence.	effective May 1, 2020. All employees upon signing into PowerDMS, will review and acknowledge the new procedures to all persons who are responsible for handling evidence.
10	Internal Audit recommends all aspects of property and evidence, including, but not limited to intake, storage and destruction undergo a review process by a supervisor or higher to ensure accurate information is recorded during the intake process; items are securely stored; items are processed correctly for disposal; and issues can be addressed in a timely manner.	All Property Staff is responsible for reviewing items and returning to employee for corrections if needed. They are the gate keepers for this information and ensuring that the information entered into RMS is accurate and complete to the best of their knowledge. The RMS Administrator is looking into the possibility of making fields mandatory and RMS not allowing the submission until those fields were completed. The random and scheduled audits will address reviewing for all items listed in this recommendation.  <b>Responsible Party:</b> Specialized Services Division Commander  <b>Implementation Date:</b> 03/10/2019	<b>Implemented</b>  The Evidence Room Staff has been empowered to identify errors in the input of data into RMS and the packaging of items for entry into the Evidence and Property Room. When errors are identified, the staff notifies the officer and the immediate Chain of Command to fix the errors. The disposal process continues to be reviewed to ensure it is efficient in identifying items to be destroyed, the amount of time to get the appropriate orders signed and the overall destruction of the item.  The Evidence and Property Operating Procedures have been	<b>Implemented</b>  The Evidence Room Staff has been empowered to identify errors in the input of data into RMS and the packaging of items for entry into the Evidence and Property Room. When errors are identified, the staff notifies the officer and the immediate Chain of Command to fix the errors. The disposal process continues to be reviewed to ensure it is efficient in identifying items to be destroyed, the amount of time to get the appropriate orders signed and the overall destruction of the item.  The Evidence and Property Operating Procedures have been

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			updated and reviewed by the Police Attorney. The policies will be staffed and become effective May 1, 2020. All employees upon signing into PowerDMS, will review and acknowledge the new procedures to all persons who are responsible for handling evidence.	updated and reviewed by the Police Attorney. The policies will be staffed and become effective May 1, 2020. All employees upon signing into PowerDMS, will review and acknowledge the new procedures to all persons who are responsible for handling evidence.
11.1	<p>Management should create or amend operating procedures addressing matters observed during this audit. Emphasis should be placed on the classifications of property, methods of disposal, and procedures for disposition.</p> <p>1. Procedure updates for temporary removal of property from the evidence room should at a minimum include:</p> <p>a. A process for items released to court and the type of documentation required if retained;</p> <p>b. Specific procedures for transferring property and evidence</p>	<p>The review of the entire Police Department Evidence and Property Policy is being addressed to ensure the implementation of an updated policy will cover all items listed in Recommendation 11.1 – 11.6. The City of Fayetteville Police Attorneys have been working on this policy, until the policy is updated the department will continue to look at the operational issues addressed in this recommendation.</p> <p><b>Responsible Party:</b> Specialized Services Division Commander</p> <p><b>Implementation Date:</b> 03/10/2019</p>	<p><b>Implemented</b></p> <p>The Evidence and Property Operating Procedures have been updated and reviewed by the Police Attorney. The policies will be staffed and become effective May 1, 2020. All employees upon signing into PowerDMS, will review and acknowledge the new procedures to all persons who are responsible for handling evidence.</p>	<p><b>Implemented</b></p> <p>The Evidence and Property Operating Procedures have been updated and reviewed by the Police Attorney. The policies will be staffed and become effective May 1, 2020. All employees upon signing into PowerDMS, will review and acknowledge the new procedures to all persons who are responsible for handling evidence.</p>



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	<p>items to other agencies and what documentation should be maintained;</p> <p>c. Authorization for the Forensics Unit to maintain evidence and procedures for maintenance; and</p> <p>d. Instructions for a (“checked out”) tickler file system and how follow-up should be documented.</p>			
11.2	<p>Management should create or amend operating procedures addressing matters observed during this audit. Emphasis should be placed on the classifications of property, methods of disposal, and procedures for disposition.</p> <p>2. There are specific observations relating to current Operating Procedure 6.2.8, but overall Internal Audit concluded, management should have a documented review process outlining steps to evaluate each item of property and evidence for disposal, to include specifying what</p>	<p>The review of the entire Police Department Evidence and Property Policy is being addressed to ensure the implementation of an updated policy will cover all items listed in Recommendation 11.1 – 11.6. The City of Fayetteville Police Attorneys have been working on this policy, until the policy is updated the department will continue to look at the operational issues addressed in this recommendation.</p> <p><b>Responsible Party:</b> Specialized Services Division Commander</p> <p><b>Implementation Date:</b> 03/10/2019</p>	<p><b>Implemented</b></p> <p>The Evidence and Property Operating Procedures have been updated and reviewed by the Police Attorney. The policies will be staffed and become effective May 1, 2020. All employees upon signing into PowerDMS, will review and acknowledge the new procedures to all persons who are responsible for handling evidence.</p>	<p><b>Implemented</b></p> <p>The Evidence and Property Operating Procedures have been updated and reviewed by the Police Attorney. The policies will be staffed and become effective May 1, 2020. All employees upon signing into PowerDMS, will review and acknowledge the new procedures to all persons who are responsible for handling evidence.</p>

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	<p>considerations should be made, and at a minimum should include:</p> <ul style="list-style-type: none"> <li>a. Procedures for obtaining proper authorization for final disposition of property and evidence;</li> <li>b. Guidelines for returning items to identified owners;</li> <li>c. Guidelines for disposal of items requiring special consideration;</li> <li>d. Guidelines to ensure lawful disposal of property and evidence;</li> <li>e. Reconciliations of all computerized data systems and hard-copy paperwork to reflect the final disposition of property and evidence items, including who authorized and handled the release or destruction, and to whom items were released; and</li> <li>f. Define Department personnel roles to retain property and evidence or process for disposal.</li> </ul>			
11.3	Management should create or amend operating procedures	The review of the entire Police Department Evidence and Property	<b>Implemented</b>	<b>Implemented</b>

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	<p>addressing matters observed during this audit. Emphasis should be placed on the classifications of property, methods of disposal, and procedures for disposition.</p> <p>3. Although there are specific observations relating to the current Operating Procedure 6.2.9, Internal Audit concluded that overall, when reviewing the current operating procedure, specific guidelines, procedures and methods of disposal including guidelines for unclaimed property and how property transitions to the unclaimed property process for all categories of property held in the Property and Evidence Unit did not exist. Category specific guidelines should at a minimum include:</p> <p>a. Defined officer/detective role in retaining property and evidence to ensure compliance with North Carolina General Statutes;</p> <p>b. When identification is needed and what documentation should be recorded; and</p>	<p>Policy is being addressed to ensure the implementation of an updated policy will cover all items listed in Recommendation 11.1 – 11.6. The City of Fayetteville Police Attorneys have been working on this policy, until the policy is updated the department will continue to look at the operational issues addressed in this recommendation.</p> <p><b>Responsible Party:</b> Specialized Services Division Commander</p> <p><b>Implementation Date:</b> 03/10/2019</p>	<p>The Evidence and Property Operating Procedures have been updated and reviewed by the Police Attorney. The policies will be staffed and become effective May 1, 2020. All employees upon signing into PowerDMS, will review and acknowledge the new procedures to all persons who are responsible for handling evidence.</p>	<p>The Evidence and Property Operating Procedures have been updated and reviewed by the Police Attorney. The policies will be staffed and become effective May 1, 2020. All employees upon signing into PowerDMS, will review and acknowledge the new procedures to all persons who are responsible for handling evidence.</p>
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	c. When serial numbers should be verified; the form of documentation required when serial numbers are verified; and the type of disposal requiring serial numbers to be verified.			
11.4	<p>Management should create or amend operating procedures addressing matters observed during this audit. Emphasis should be placed on the classifications of property, methods of disposal, and procedures for disposition.</p> <p>4. Procedures should include specific guidelines for valuables and sensitive items.</p> <p>a. Guidelines for disposal of firearms at a minimum should include releasing, methods of disposal, destruction and adherence to federal, state and local law;</p> <p>b. Guidelines for disposal of narcotics, at a minimum should include packaging and preparation for disposal; methods of destruction; destruction of large</p>	<p>The review of the entire Police Department Evidence and Property Policy is being addressed to ensure the implementation of an updated policy will cover all items listed in Recommendation 11.1 – 11.6. The City of Fayetteville Police Attorneys have been working on this policy, until the policy is updated the department will continue to look at the operational issues addressed in this recommendation.</p> <p><b>Responsible Party:</b> Specialized Services Division Commander</p> <p><b>Implementation Date:</b> 03/10/2019</p>	<p><b>Implemented</b></p> <p>The Evidence and Property Operating Procedures have been updated and reviewed by the Police Attorney. The policies will be staffed and become effective May 1, 2020. All employees upon signing into PowerDMS, will review and acknowledge the new procedures to all persons who are responsible for handling evidence.</p>	<p><b>Implemented</b></p> <p>The Evidence and Property Operating Procedures have been updated and reviewed by the Police Attorney. The policies will be staffed and become effective May 1, 2020. All employees upon signing into PowerDMS, will review and acknowledge the new procedures to all persons who are responsible for handling evidence.</p>

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	<p>amounts and precautions for hazardous chemicals;</p> <p>c. Guidelines for disposal of currency and other high value items, at a minimum should include consideration for evidentiary value; accurate accounting for funds and high value items held in evidence; and methods of disposal; and</p> <p>d. Guidelines for biological/biohazardous items should at a minimum include compliance with all applicable state and local environmental health concerns; and use of qualified/approved disposal vendors and disposal sites.</p>			
11.5	<p>Management should create or amend operating procedures addressing matters observed during this audit. Emphasis should be placed on the classifications of property, methods of disposal, and procedures for disposition.</p> <p>5. The Office of Internal Audit recommends management establish internal controls to ensure</p>	<p>The review of the entire Police Department Evidence and Property Policy is being addressed to ensure the implementation of an updated policy will cover all items listed in Recommendation 11.1 – 11.6. The City of Fayetteville Police Attorneys have been working on this policy, until the policy is updated the department will continue to look at</p>	<b>Implemented</b>	<b>Implemented</b>
			<p>The Evidence and Property Operating Procedures have been updated and reviewed by the Police Attorney. The policies will be staffed and become effective May 1, 2020. All employees upon signing into PowerDMS, will review and acknowledge the new</p>	<p>The Evidence and Property Operating Procedures have been updated and reviewed by the Police Attorney. The policies will be staffed and become effective May 1, 2020. All employees upon signing into PowerDMS, will review and acknowledge the new</p>

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**A2018-01 Evidence and Property Management**

	<p>personnel are in compliance with North Carolina General Statutes. Some possible areas where internal controls should be established based on Internal Audit’s observations include the following, but are not limited to:</p> <p>a. Publication should state the items will be “sold or disposed of” or “sold or otherwise disposed of”; and</p> <p>b. Auction proceeds should be distributed to the Cumberland County Board of Education within 30 days after the sale.</p>	<p>the operational issues addressed in this recommendation.</p> <p><b>Responsible Party:</b> Specialized Services Division Commander</p> <p><b>Implementation Date:</b> 03/10/2019</p>	<p>procedures to all persons who are responsible for handling evidence.</p>	<p>procedures to all persons who are responsible for handling evidence.</p>
11.6	<p>Management should create or amend operating procedures addressing matters observed during this audit. Emphasis should be placed on the classifications of property, methods of disposal, and procedures for disposition.</p> <p>6. Any amendment to current procedures should account for obsolete practices and be consistent with federal, state, and local</p>	<p>The review of the entire Police Department Evidence and Property Policy is being addressed to ensure the implementation of an updated policy will cover all items listed in Recommendation 11.1 – 11.6. The City of Fayetteville Police Attorneys have been working on this policy, until the policy is updated the department will continue to look at the operational issues addressed in this recommendation.</p>	<p><b>Implemented</b></p> <p>The Evidence and Property Operating Procedures have been updated and reviewed by the Police Attorney. The policies will be staffed and become effective May 1, 2020. All employees upon signing into PowerDMS, will review and acknowledge the new procedures to all persons who</p>	<p><b>Implemented</b></p> <p>The Evidence and Property Operating Procedures have been updated and reviewed by the Police Attorney. The policies will be staffed and become effective May 1, 2020. All employees upon signing into PowerDMS, will review and acknowledge the new procedures to all persons who</p>

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**A2018-01 Evidence and Property Management**

	requirements. In addition, procedures should speak to federal, state and local retention requirements for each category of property and evidence; and should include a review of ALL operating procedures to ensure consistency as it relates to property and evidence and the disposal process.	<p><b>Responsible Party:</b> Specialized Services Division Commander</p> <p><b>Implementation Date:</b> 03/10/2019</p>	are responsible for handling evidence.	are responsible for handling evidence.
12	Management should develop and implement a strategic plan to address the increasing levels of property and evidence maintained by the Property and Evidence Unit, and the possible need of additional facilities to store property and evidence.	<p>The Fayetteville Police Department is currently in the process of re-design associated with various areas of the police administrative building and this includes the evidence section. The City of Fayetteville Police Attorneys will assist in addressing the issues and allow Property Room Staff to operate with the guidelines that he has established in accordance with state and federal laws.</p> <p><b>Responsible Party:</b> Specialized Services Division Commander</p> <p><b>Implementation Date:</b> 03/10/2019</p>	<p><b>Implemented</b></p> <p>Additional storage space within the building was created during the reorganization of the Property and Evidence Unit.</p>	<p><b>Implemented</b></p> <p>Additional storage space within the building was created during the reorganization of the Property and Evidence Unit.</p>

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**A2018-04 Performance Measures: Parks, Recreation and Maintenance**

1.1	Management should review and update all Departmental performance measures to ensure the performance measures address how the Department is meeting the associated objectives;	PRM staff reviewed and analyzed existing performance measures. Measures not currently meeting the associated objectives of the department were either adjusted or removed. Proposed measures were submitted to the office of Strategic Performance Analytics on September 11, 2018 for review. PRM staff intend to utilize proposed measures for all FY19 reporting.  <b>Responsible Party:</b> Management Analyst  <b>Implementation Date:</b> 9/11/2018	<b>Implemented</b>  This recommendation has been implemented for the FY19 performance measure. PRM has updated and revised all performance measures to meet objectives of the department. Staff removed measures that did not clearly associate with the department’s objectives.	<b>Implemented</b>  This recommendation has been implemented for the FY19 performance measure. PRM has updated and revised all performance measures to meet objectives of the department. Staff removed measures that did not clearly associate with the department’s objectives.
1.2	Management should review and update all Departmental performance measures to ensure the Department adequately and accurately tracks and reports the actual work being performed by personnel for the performance measures.	Management has met with staff and will work to ensure the actual work being performed by personnel for the performance measures is adequately and accurately captured for FY19.  <b>Responsible Party:</b> Management Analyst  <b>Implementation Date:</b> 9/29/2018	<b>Implemented</b>  This recommendation has been implemented by running new reports that are consistent with the updated performance measures. Current reports and historical reports for the new measures have been updated in Tracstat.	<b>Implemented</b>  This recommendation has been implemented by running new reports that are consistent with the updated performance measures. Current reports and historical reports for the new measures have been updated in Tracstat.



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**A2018-04 Performance Measures: Parks, Recreation and Maintenance**

2	Management should review and update all departmental performance measures to ensure the performance measures are defined so the average user can effectively evaluate the information.	<p>Management has met with the Strategic Performance Analytics staff to determine a better process of reporting performance measures. Staff will update performance measures to effectively tell the story of the work being performed in PRM. Staff will work closely with Strategic Performance Analytics to ensure we are communicating information that can be easily processed and understood by the average user.</p> <p><b>Responsible Party:</b> Management Analyst</p> <p><b>Implementation Date:</b> 9/11/2018</p>	<p><b>Implemented</b></p> <p>This measure has been implemented. Staff has phrased the measure to communicate the what, why, and how.</p>	<p><b>Implemented</b></p> <p>This measure has been implemented. Staff has phrased the measure to communicate the what, why, and how.</p>
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**A2018-04 Performance Measures: Public Services**

2	<p>Management should review and update all departmental performance measures to ensure the performance measures are defined so the average user can effectively evaluate the information.</p>	<p>Public services will review all performance measures within each division for full implementation beginning FY 20.</p> <p><b>Responsible Party:</b> Each division manager will be responsible for implementation.</p> <p><b>Implementation Date:</b> 7/1/2019</p>	<p><b>Implemented</b></p> <p>Public services has worked extensively over the last 6 months in improving our performance measures.</p> <p>Step taken include the following:</p> <ul style="list-style-type: none"> <li>• PS Director met with each Division (Traffic, Engineering and Infrastructure, Solid Waste, Street Maintenance and Real-estate) to discuss measures and methods for improvement.</li> <li>• Each division manager provided new measures and revisions to past ones to more accurately reflect our work products.</li> <li>• We met with CMO (Kristoff Bauer) on Nov 9, 2018 to discuss our revisions.</li> <li>• We finalized our revisions per attached and received approval from CMO.</li> </ul>	<p><b>Implemented</b></p> <p>Public services has worked extensively over the last 6 months in improving our performance measures.</p> <p>Step taken include the following:</p> <ul style="list-style-type: none"> <li>• PS Director met with each Division (Traffic, Engineering and Infrastructure, Solid Waste, Street Maintenance and Real-estate) to discuss measures and methods for improvement.</li> <li>• Each division manager provided new measures and revisions to past ones to more accurately reflect our work products.</li> <li>• We met with CMO (Kristoff Bauer) on Nov 9, 2018 to discuss our revisions.</li> <li>• We finalized our revisions per attached and received approval from CMO.</li> </ul>
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**A2018-04 Performance Measures: Public Services**

			<ul style="list-style-type: none"> <li>We finalized our measures.</li> </ul> <p>In summary we have reviewed and updated all departmental performance measures to ensure the performance measures are defined so the average user can effectively evaluate the information and have received CMO approval for the revised measures.</p>	<ul style="list-style-type: none"> <li>We finalized our measures.</li> </ul> <p>In summary we have reviewed and updated all departmental performance measures to ensure the performance measures are defined so the average user can effectively evaluate the information and have received CMO approval for the revised measures.</p>
3	Management should review and update all departmental performance measures to ensure the performance measures provide the reader with all the necessary information to make informed decisions.	<p>Actual performance measures are requested to be finalized in July for the previous FY ending June 30<sup>th</sup>. Some performance measures such as those linked to cost are subject to minor changes for example when invoices are posted late by the vendor. It is requested that there is a process for allowing updates to the performance measures based on receipts of delayed data.</p> <p><b>Responsible Party:</b> Each division manager will be responsible for implementation.</p> <p><b>Implementation Date:</b> 12/1/2018</p>	<p><b>Implemented</b></p> <p>Public services has worked extensively over the last 6 months in improving our performance measures.</p> <p>Step taken include the following:</p> <ul style="list-style-type: none"> <li>PS Director met with each Division (Traffic, Engineering and Infrastructure, Solid Waste, Street Maintenance and Real-estate) to discuss measures and methods for improvement.</li> </ul>	<p><b>Implemented</b></p> <p>Public services has worked extensively over the last 6 months in improving our performance measures.</p> <p>Step taken include the following:</p> <ul style="list-style-type: none"> <li>PS Director met with each Division (Traffic, Engineering and Infrastructure, Solid Waste, Street Maintenance and Real-estate) to discuss measures and methods for improvement.</li> </ul>

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**A2018-04 Performance Measures: Public Services**

			<ul style="list-style-type: none"> <li>Each division manager provided new measures and revisions to past ones to more accurately reflect our work products.</li> <li>We met with CMO (Kristoff Bauer) on Nov 9, 2018 to discuss our revisions.</li> <li>We finalized our revisions per attached and received approval from CMO.</li> <li>We finalized our measures.</li> </ul> <p>In summary we have reviewed and updated all departmental performance measures to ensure the performance measures are defined so the average user can effectively evaluate the information and have received CMO approval for the revised measures.</p>	<ul style="list-style-type: none"> <li>Each division manager provided new measures and revisions to past ones to more accurately reflect our work products.</li> <li>We met with CMO (Kristoff Bauer) on Nov 9, 2018 to discuss our revisions.</li> <li>We finalized our revisions per attached and received approval from CMO.</li> <li>We finalized our measures.</li> </ul> <p>In summary we have reviewed and updated all departmental performance measures to ensure the performance measures are defined so the average user can effectively evaluate the information and have received CMO approval for the revised measures.</p>
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**A2016-05 Parks, Recreation and Maintenance Nonresident Fees Implementation**

1.1	<p>The Office of Internal Audit recommends management amend the written <i>Fayetteville-Cumberland Parks &amp; Recreation Non-Resident Fee Policy</i> to provide clear guidance on how to accurately and consistently charge fees. This policy should be amended to include sufficient guidance to allow an individual who is unfamiliar with the operations to perform the necessary activities. Finally, subject matter experts should be included in updating and reviewing the policy to ensure only attainable and realistic requirements are included. Improvements to the policy based on Internal Audit's observations should include, but not be limited to:</p> <ol style="list-style-type: none"> <li>a. Define the process for determining whether the resident or nonresident fee should be charged;</li> <li>b. Establish specific guidance on what areas, if any, of Fort Bragg should be charged the resident</li> </ol>	<p>Recreation and Administrative management staff will review and amend the Fayetteville-Cumberland Parks and Recreation Non-Resident Fee Policy by May 1, 2019 with training to occur in May/June and full implementation July 1, 2019. A new procedure will be implemented to define the process for staff to determine whether the resident or nonresident fees should be charged. The procedure will also include specific guidance on which fee to charge residents of Fort Bragg. During the review process we will determine if it is operationally feasible to charge nonresident fees for pool entry, Adult Open Play and other similar programs. Training will be provided to all full-time and part-time staff once the policy and procedures are updated and ready for implementation. Recreation and Administrative management will also develop a review process that will ensure that fees are being charged in accordance with the fee schedule.</p>	<b>Implemented</b>	<b>Implemented</b>
			<p>This recommendation has been implemented. Implementation took place during Recreation District Meetings in the month of October 2019.</p>	<p>This recommendation has been implemented. Implementation took place during Recreation District Meetings in the month of October 2019.</p>

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**A2016-05 Parks, Recreation and Maintenance Nonresident Fees Implementation**

	<p>fees; and</p> <p>c. Establish specific guidance and expectations on charging swimming pool and Adult Open Play Athletic fees.</p>	<p><b>Responsible Party:</b> Adrienne Thomas, Business Manager</p> <p><b>Implementation Date:</b> 07/01/2019</p>		
1.2	<p>Once the policy and procedures are updated, management should provide training to PRM personnel involved in charging and monitoring of the parks and recreation program fees.</p>	<p>Recreation and Administrative management staff will review and amend the Fayetteville-Cumberland Parks and Recreation Non-Resident Fee Policy by May 1, 2019 with training to occur in May/June and full implementation July 1, 2019. A new procedure will be implemented to define the process for staff to determine whether the resident or nonresident fees should be charged. The procedure will also include specific guidance on which fee to charge residents of Fort Bragg. During the review process we will determine if it is operationally feasible to charge nonresident fees for pool entry, Adult Open Play and other similar programs. Training will be provided to all full-time and part-time staff once the policy and procedures are updated and ready for</p>	<p><b>Implemented</b></p> <p>This recommendation has been implemented. Implementation took place during Recreation District Meetings in the month of October 2019.</p>	<p><b>Implemented</b></p> <p>This recommendation has been implemented. Implementation took place during Recreation District Meetings in the month of October 2019.</p>

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		<p>implementation. Recreation and Administrative management will also develop a review process that will ensure that fees are being charged in accordance with the fee schedule.</p> <p><b>Responsible Party:</b> Adrienne Thomas, Business Manager</p> <p><b>Implementation Date:</b> 07/01/2019</p>		
1.3	<p>Management should develop a quality review program for the fees and conduct an adequate number of appropriate quality reviews in a timely manner. The documented results should be maintained and utilized as measures of effectiveness during performance evaluations.</p>	<p>Recreation and Administrative management staff will review and amend the Fayetteville-Cumberland Parks and Recreation Non-Resident Fee Policy by May 1, 2019 with training to occur in May/June and full implementation July 1, 2019. A new procedure will be implemented to define the process for staff to determine whether the resident or nonresident fees should be charged. The procedure will also include specific guidance on which fee to charge residents of Fort Bragg. During the review process we will determine if it is operationally feasible to charge nonresident fees</p>	<p><b>Implemented</b></p> <p>This recommendation has been implemented. Implementation took place during Recreation District Meetings in the month of October 2019.</p>	<p><b>Implemented</b></p> <p>This recommendation has been implemented. Implementation took place during Recreation District Meetings in the month of October 2019.</p>

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		<p>for pool entry, Adult Open Play and other similar programs. Training will be provided to all full-time and part-time staff once the policy and procedures are updated and ready for implementation. Recreation and Administrative management will also develop a review process that will ensure that fees are being charged in accordance with the fee schedule.</p> <p><b>Responsible Party:</b> Adrienne Thomas, Business Manager</p> <p><b>Implementation Date:</b> 07/01/2019</p>		
2	<p>The Office of Internal Audit recommends management update the existing fee schedule to provide additional transparency and clarity for City Council and citizens. This should include, but not be limited to, all fees applicable for the resident and nonresident rates, and fees for regularly scheduled programs led by PRM personnel.</p>	<p>Recreation and Administrative management staff will review the fee schedule and update to ensure transparency and clarity regarding the PRM rates and fees. This includes the fees charged for County-wide regularly scheduled programs and services will be listed on the fee schedule reflecting the appropriate fee, to include the resident and non-resident fee, if applicable. However, the fees that</p>	<p><b>Implemented</b></p> <p>This recommendation has been implemented. The fee schedule was updated during the budget process and reflective of changes to ensure transparency and clarity. The updated fee schedule was presented to City Council for adoption and included in the FY2020 budget.</p>	<p><b>Implemented</b></p> <p>This recommendation has been implemented. The fee schedule was updated during the budget process and reflective of changes to ensure transparency and clarity. The updated fee schedule was presented to City Council for adoption and included in the FY2020 budget.</p>



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		<p>are assigned by Recreation staff based on community interest along with the fees that are determined by contractors providing instructional programs will be reflected on the fee schedule as not applicable to the resident and non-resident fee structure.</p> <p>Recreation staff creativity and response to community needs may be stifled if every program they lead must be listed on the fee schedule separately, whereas, these fees will be identified as Leisure Activities. Parks and Recreation provides constantly changing and varying programs through 21 facilities in unique communities all over Cumberland County. In order for Parks and Recreation to include all programs on the fee schedule, as opposed to having them listed as under the Leisure Activity designation, would add hundreds of lines to the fee schedule for activities and limit the ability of staff to meet the needs of their communities</p>	<p>The FY20 Fee Schedule was implemented on July 1, 2019.</p>	<p>The FY20 Fee Schedule was implemented on July 1, 2019.</p>
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		<p>without having fees approved through City Council. Many of these programs may have the same name, but are slightly different from site to site. For example, Movie Night may be a free activity at one center and another center may charge a fee because they offer the participant dinner and a movie. Another example would be summer programs offered through the park rangers division. They offer six Page 6 of 9 different summer programs for youth and teens that would all have to be listed separately because they are of varying prices. As stated in the report “when fees are not clearly stated on the fee schedule, citizens may be unaware if the correct fee was charged and it also creates the opportunity for misappropriation or theft of funds” we disagree as fees for all programs are listed on the Fayetteville-Cumberland Parks and Recreation website.</p>		
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**A2016-05 Parks, Recreation and Maintenance Nonresident Fees Implementation**

		<p><b>Responsible Party:</b> Adrienne Thomas, Business Manager</p> <p><b>Implementation Date:</b> 07/01/2019</p>		
3	<p>The Office of Internal Audit recommends management amend the written <i>Fayetteville-Cumberland Parks &amp; Recreation Non-Resident Fee Policy</i> to ensure clear guidance is provided on documentation for resident and nonresident fees. This policy should be amended to include sufficient guidance to allow an individual who is unfamiliar with the operations to perform the necessary activities. Finally, subject matter experts should be included in updating and reviewing the policy to ensure only attainable and realistic requirements are included.</p> <p>Improvements to the policy based on Internal Audit’s observations should include, but not be limited to:</p> <p style="margin-left: 20px;">a. Types of documentation</p>	<p>The policy already lists documentation that is acceptable, more clarification will be added as to what is not acceptable, frequency for updating documentation and document maintenance. Recreation and Administrative management staff will review and amend the Fayetteville-Cumberland Parks and Recreation Non-Resident Fee Policy by May 1, 2019 with training to occur in May/June and full implementation July 1, 2019.</p> <p><b>Responsible Party:</b> Recreation Division Supervisor</p> <p><b>Implementation Date:</b> 07/01/2019</p>	<b>Implemented</b>	<b>Implemented</b>

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**A2016-05 Parks, Recreation and Maintenance Nonresident Fees Implementation**

	<p>considered sufficient and insufficient;</p> <p>b. Frequency for updating documentation; and</p> <p>c. Documentation maintenance, retention and destruction requirements which should ensure adherence to the security of sensitive and confidential information and the State’s retention requirements.</p>			
4.1	<p>Management should consider having RecTrac administration supervised by the Information Technology Department. This should not only alleviate the current conflict of interest but would allow personnel to supervise this position with knowledge of the need for segregation of duties, access controls and security over RecTrac.</p>	<p>After ensuring that Information Technology (IT) had the capacity to accommodate RecTrac administration, management will outline a transition plan over the next several weeks, to include the delineation of “administrative rights” and as identified in our response to Recommendation 4.2. Additionally, given RecTrac’s integral role in sustaining PRM operations, it is Management’s belief that dedicated technical administration is required. The creation of a RecTrac Systems Analyst in the FY21 budget would</p>	<p><b>Not Implemented</b></p> <p>The management of the RecTrac software has not been transitioned from PRM to IT yet. However, we do anticipate upgrading the software (hopefully within the next 6 months). At that time we would shift to cloud-based software instead of the software being housed on the server. At that time it’s my hope that we can transition the management over to IT.</p>	<p><b>Not Implemented</b></p> <p>This recommendation has not been implemented yet. Staff is awaiting information/approval of the FY21 Budget for the IT Department.</p>

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		<p>enhance day-to-day support/user experience, identify and resolve issues and improve process efficiencies as online transactions grow.</p> <p><b>Responsible Party:</b> Michael Gibson, PRM Director and Adrienne Thomas, Business Manager</p> <p><b>Implementation Date:</b> 03/01/2019</p>		
4.2	<p>Management should review RecTrac user accesses to ensure users only have access for which there is a necessary business need. This should include but not be limited to determining if a necessary business need exists for the ability to change receipt and general ledger dates, drawers, and pay codes.</p>	<p>Access will be updated for Recreation Division Supervisors to restrict access and the ability to change receipt and general ledger dates, drawers, and pay codes. This access will be updated by February 1, 2019 and remain with the Business Manager and Management Analysts only until PRM management can outline and implement a transition plan as identified in Management's Response 4.1, to include collaborating with Finance management on the impact the process changes will have on the day-to-day operations.</p>	<p><b>Implemented</b></p> <p>This recommendation has been implemented. Access to change receipt and general ledger dates, drawers, and pay codes has been restricted to Business Manager and Management Analysts only.</p>	<p><b>Implemented</b></p> <p>This recommendation has been implemented. Access to change receipt and general ledger dates, drawers, and pay codes has been restricted to Business Manager and Management Analysts only.</p>

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		<b>Responsible Party:</b> Michael Gibson, PRM Director and Adrienne Thomas, Business Manager  <b>Implementation Date:</b> 03/01/2019		

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**A2019-05 WEX Fuel Cards: Police Department**

2.1	Internal Audit recommends management of the Police Department implement the recommendations as presented in the audit report to ensure internal controls are established, followed, maintained, and properly documented to include a process to ensure adequate follow-up regarding questionable fueling transactions is conducted.	<p>Implementation of a City policy will be established and the overall procedures for the police department are presently being evaluated to ensure best practice and accountability. Verifying if the “Pins” are operationally able to be changed and reassigned will be a part of that evaluation. Determining a “secure” location within the vehicles may be a challenge and will need to be determined. This will be recommended but likely monitored with daily accountability measures. Locations for fueling will also be evaluated by management.</p> <p><b>Responsible Party:</b> Assistant Chief Anthony Kelly</p> <p><b>Implementation Date:</b> 9/1/2019</p>	<p><b>Implemented</b></p> <p>The Fayetteville Police Department will follow Police #315, City of Fayetteville Fuel Card Practices and Procedures.</p>	<p><b>Implemented</b></p> <p>The Fayetteville Police Department will follow Police #315, City of Fayetteville Fuel Card Practices and Procedures.</p>
2.2	Management within the Police Department should consider changing the currently assigned WEX PINs to a confidential PIN.	<p>Implementation of a City policy will be established and the overall procedures for the police department are presently being evaluated to ensure best practice and accountability. Verifying if the “Pins” are operationally able to be</p>	<p><b>Implemented</b></p> <p>Finance for the COF has assumed the responsibility for assigning confidential PIN’s to employees at the police department.</p>	<p><b>Implemented</b></p> <p>Finance for the COF has assumed the responsibility for assigning confidential PIN’s to employees at the police department.</p>

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		<p>changed and reassigned will be a part of that evaluation. Determining a “secure” location within the vehicles may be a challenge and will need to be determined. This will be recommended but likely monitored with daily accountability measures. Locations for fueling will also be evaluated by management.</p> <p><b>Responsible Party:</b> Assistant Chief Anthony Kelly</p> <p><b>Implementation Date:</b> 9/1/2019</p>		
2.3	Management should ensure WEX fuel card PINs are only assigned to personnel with the ability and need to use the fuel cards.	<p>Implementation of a City policy will be established and the overall procedures for the police department are presently being evaluated to ensure best practice and accountability. Verifying if the “Pins” are operationally able to be changed and reassigned will be a part of that evaluation. Determining a “secure” location within the vehicles may be a challenge and will need to be determined. This will be recommended but likely monitored with daily accountability measures.</p>	<p><b>Implemented</b></p> <p>The Fayetteville Police Department will follow Police #315, City of Fayetteville Fuel Card Practices and Procedures.</p>	<p><b>Implemented</b></p> <p>The Fayetteville Police Department will follow Police #315, City of Fayetteville Fuel Card Practices and Procedures.</p>



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		<p>Locations for fueling will also be evaluated by management.</p> <p><b>Responsible Party:</b> Assistant Chief Anthony Kelly</p> <p><b>Implementation Date:</b> 9/1/2019</p>		
2.4	<p>Assessment of a secure location in Police vehicles and equipment should be completed to determine the safest location for fuel cards to be maintained. Policies should note suitable places to store the fuel card in City owned vehicles and equipment.</p>	<p>Implementation of a City policy will be established and the overall procedures for the police department are presently being evaluated to ensure best practice and accountability. Verifying if the “Pins” are operationally able to be changed and reassigned will be a part of that evaluation. Determining a “secure” location within the vehicles may be a challenge and will need to be determined. This will be recommended but likely monitored with daily accountability measures. Locations for fueling will also be evaluated by management.</p> <p><b>Responsible Party:</b> Assistant Chief Anthony Kelly</p> <p><b>Implementation Date:</b> 9/1/2019</p>	<b>Implemented</b>	<b>Implemented</b>

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**A2019-05 WEX Fuel Cards: Police Department**

3.1	Develop written city-wide and departmental policies and procedures for using WEX fuel cards, to include identifying the City administrator of the WEX fuel card program. These policies and procedures should address the City administrator and user department responsibilities, as well as operational guidance.	Departmental Procedures are being evaluated for best practices and will ensure they are in compliance with City-Wide policy.  <b>Responsible Party:</b> Chief Gina V. Hawkins and Chief Financial Officer Jay Toland  <b>Implementation Date:</b> 9/1/2019	<b>Implemented</b>  The Fayetteville Police Department will follow Police #315, City of Fayetteville Fuel Card Practices and Procedures.	<b>Implemented</b>  The Fayetteville Police Department will follow Police #315, City of Fayetteville Fuel Card Practices and Procedures.
3.2	Ensure user departments are provided copies of the city-wide policies and procedures and are requested to comply and develop internal procedures for fuel cards. Training should be given to personnel that use WEX fuel cards to ensure understanding and adherence to the policies and procedures.	Departmental Procedures are being evaluated for best practices and will ensure they are in compliance with City-Wide policy.  <b>Responsible Party:</b> Chief Gina V. Hawkins and Chief Financial Officer Jay Toland  <b>Implementation Date:</b> 9/1/2019	<b>Implemented</b>  The Fayetteville Police Department will follow Police #315, City of Fayetteville Fuel Card Practices and Procedures.	<b>Implemented</b>  The Fayetteville Police Department will follow Police #315, City of Fayetteville Fuel Card Practices and Procedures.
3.3	A process should be developed to ensure when personnel are no longer employed with the City, their WEX fuel card PIN number is deactivated immediately after their last day of employment.	Departmental Procedures are being evaluated for best practices and will ensure they are in compliance with City-Wide policy.  <b>Responsible Party:</b> Chief Gina V. Hawkins and Chief Financial Officer Jay Toland	<b>Implemented</b>  The Fayetteville Police Department utilizes POL-122 for when an employee separates employment to ensure the fuel card is deactivated and the card is turned in with the vehicle	<b>Implemented</b>  The Fayetteville Police Department utilizes POL-122 for when an employee separates employment to ensure the fuel card is deactivated and the card is turned in with the vehicle

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**A2019-05 WEX Fuel Cards: Police Department**

		<b>Implementation Date:</b> 9/1/2019	through personnel assigned to Technical Services.	through personnel assigned to Technical Services.
3.4	Sharing PIN's should be considered a violation of policy.	Departmental Procedures are being evaluated for best practices and will ensure they are in compliance with City-Wide policy.  <b>Responsible Party:</b> Chief Gina V. Hawkins and Chief Financial Officer Jay Toland  <b>Implementation Date:</b> 9/1/2019	<b>Implemented</b>  The memorandum that was submitted through PowerDMS in January 2019 provides instructions for when an employee does not remember their PIN and the steps to have it reset.	<b>Implemented</b>  The memorandum that was submitted through PowerDMS in January 2019 provides instructions for when an employee does not remember their PIN and the steps to have it reset.
4.1	Management should ensure fuel consumption of each vehicle and personnel are monitored and reviewed and any abnormalities in fuel consumption, to include purchases of higher grade fuel, is investigated. Additionally, trend analysis should be performed to identify and justify increases/decreases in monthly fuel consumption.	This will be included with the City-wide policy and departmental procedure.  <b>Responsible Party:</b> Chief Gina V. Hawkins and Chief Financial Officer Jay Toland  <b>Implementation Date:</b> 9/1/2019	<b>Implemented</b>  The Fayetteville Police Department instituted a fuel mileage log that is submitted biweekly to capture mileage and fuel usage of personnel.  In addition, the Technical Services Unit, conducts monthly inspections that includes built-in reports to detect exceptions.	<b>Implemented</b>  The Fayetteville Police Department instituted a fuel mileage log that is submitted biweekly to capture mileage and fuel usage of personnel.  In addition, the Technical Services Unit, conducts monthly inspections that includes built-in reports to detect exceptions.
4.2	Based on the type of apparatus/vehicle, management should establish a mechanism to track miles per gallon, assess	This will be included with the City-wide policy and departmental procedure.	<b>Implemented</b>  The Fayetteville Police Department instituted a fuel	<b>Implemented</b>  The Fayetteville Police Department instituted a fuel

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	vehicle utilization and monitor potential abuse.	<p><b>Responsible Party:</b> Chief Gina V. Hawkins and Chief Financial Officer Jay Toland</p> <p><b>Implementation Date:</b> 9/1/2019</p>	mileage log that is submitted biweekly to capture mileage and fuel usage of personnel.	mileage log that is submitted biweekly to capture mileage and fuel usage of personnel.
4.3	Although the WEX system allows fuel card controls, establishment of a process to review for exceptions is recommended.	<p>This will be included with the City-wide policy and departmental procedure.</p> <p><b>Responsible Party:</b> Chief Gina V. Hawkins and Chief Financial Officer Jay Toland</p> <p><b>Implementation Date:</b> 9/1/2019</p>	<p><b>Implemented</b></p> <p>The Fayetteville Police Department took immediate action regarding the WEX fuel card usage prior to the audit including a memorandum that was submitted through PowerDMS in January 2019 to all employees as guidance for the issuance of and the usage of the fuel cards.</p>	<p><b>Implemented</b></p> <p>The Fayetteville Police Department took immediate action regarding the WEX fuel card usage prior to the audit including a memorandum that was submitted through PowerDMS in January 2019 to all employees as guidance for the issuance of and the usage of the fuel cards.</p>
5.1	<p>Internal Audit recommends the Police Department implement a fuel card inventory process. At a minimum, the following should be performed:</p> <ol style="list-style-type: none"> <li>1. Require an annual physical verification of all fuel cards, as evidenced by signature and date of the personnel conducting the</li> </ol>	<p>This will occur with the development of the departmental procedure as well as evaluating the best practice for the future.</p> <p><b>Responsible Party:</b> Assistant Chief Anthony Kelly</p> <p><b>Implementation Date:</b> 9/1/2019</p>	<p><b>Implemented</b></p> <p>The Fayetteville Police Department has completed a 100% inventory of all WEX fuel cards. This was completed by Technical Services.</p>	<p><b>Implemented</b></p> <p>The Fayetteville Police Department has completed a 100% inventory of all WEX fuel cards. This was completed by Technical Services.</p>

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	inventory and the cardholder assigned to the vehicle;			
5.2	<p>Internal Audit recommends the Police Department implement a fuel card inventory process. At a minimum, the following should be performed:</p> <p style="padding-left: 20px;">2. Unaccounted for fuel cards should be deactivated immediately;</p>	<p>This will occur with the development of the departmental procedure as well as evaluating the best practice for the future.</p> <p><b>Responsible Party:</b> Assistant Chief Anthony Kelly</p> <p><b>Implementation Date:</b> 9/1/2019</p>	<p><b>Implemented</b></p> <p>The Fayetteville Police Department has completed a 100% inventory of all WEX fuel cards. This was completed by Technical Services and any fuel cards that were unaccounted for, were deactivated.</p>	<p><b>Implemented</b></p> <p>The Fayetteville Police Department has completed a 100% inventory of all WEX fuel cards. This was completed by Technical Services and any fuel cards that were unaccounted for, were deactivated.</p>
5.3	<p>Internal Audit recommends the Police Department implement a fuel card inventory process. At a minimum, the following should be performed:</p> <p style="padding-left: 20px;">3. Management should develop and maintain a listing of vehicles and the fuel cards assigned, to include spare and miscellaneous fuel cards;</p>	<p>This will occur with the development of the departmental procedure as well as evaluating the best practice for the future.</p> <p><b>Responsible Party:</b> Assistant Chief Anthony Kelly</p> <p><b>Implementation Date:</b> 9/1/2019</p>	<p><b>Implemented</b></p> <p>The Fayetteville Police Department has a system already in place that identifies the assignment of fuel cards.</p>	<p><b>Implemented</b></p> <p>The Fayetteville Police Department has a system already in place that identifies the assignment of fuel cards.</p>
5.4	<p>Internal Audit recommends the Police Department implement a fuel card inventory process. At a</p>	<p>This will occur with the development of the departmental procedure as well as evaluating the best practice for the future.</p>	<p><b>Implemented</b></p> <p>The Fayetteville Police Department has completed a</p>	<p><b>Implemented</b></p> <p>The Fayetteville Police Department has completed a</p>

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	<p>minimum, the following should be performed:</p> <p>4. Management should ensure cancellation of fuel cards due to disposal/surplus is completed on a timely basis and are followed-up to ensure they are deactivated;</p>	<p><b>Responsible Party:</b> Assistant Chief Anthony Kelly</p> <p><b>Implementation Date:</b> 9/1/2019</p>	<p>100% inventory of all WEX fuel cards. This was completed by Technical Services and any fuel cards that were unaccounted for, were deactivated.</p>	<p>100% inventory of all WEX fuel cards. This was completed by Technical Services and any fuel cards that were unaccounted for, were deactivated.</p>
5.5	<p>Internal Audit recommends the Police Department implement a fuel card inventory process. At a minimum, the following should be performed:</p> <p>5. Establish a process in which fuel cards without activity for a given period of time are deactivated; and</p>	<p>This will occur with the development of the departmental procedure as well as evaluating the best practice for the future.</p> <p><b>Responsible Party:</b> Assistant Chief Anthony Kelly</p> <p><b>Implementation Date:</b> 9/1/2019</p>	<p><b>Implemented</b></p> <p>The Fayetteville Police Department will conduct a 6 month review to determine if a fuel card has not been utilized and make the determination if the fuel card should be deactivated.</p>	<p><b>Implemented</b></p> <p>The Fayetteville Police Department will conduct a 6 month review to determine if a fuel card has not been utilized and make the determination if the fuel card should be deactivated.</p>
5.6	<p>Internal Audit recommends the Police Department implement a fuel card inventory process. At a minimum, the following should be performed:</p>	<p>This will occur with the development of the departmental procedure as well as evaluating the best practice for the future.</p>	<p><b>Implemented</b></p> <p>As of April 30, 2019, the Police Department had conducted inventories of all fuel cards and is currently in the evaluation of</p>	<p><b>Implemented</b></p> <p>As of April 30, 2019, the Police Department had conducted inventories of all fuel cards and is currently in the evaluation of</p>

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	6. The Police Department should immediately complete a physical inventory of all WEX fuel cards to ensure existence and immediately deactivate all fuel cards not located.	<b>Responsible Party:</b> Assistant Chief Anthony Kelly  <b>Implementation Date:</b> 9/1/2019	the process of maintaining the spare fuel cards and miscellaneous fuel cards.	the process of maintaining the spare fuel cards and miscellaneous fuel cards.
6	Management should utilize the controls within the WEX fuel card online system when possible, and when not possible, alternative controls should be put in place to detect exceptions.	The existing controls will be evaluated to determine which thresholds need to be increased.  <b>Responsible Party:</b> Assistant Chief Anthony Kelly  <b>Implementation Date:</b> 9/1/2019	<b>Implemented</b>  The Fayetteville Police Department through our Technical Services Unit, conducts monthly inspections that includes built-in reports to detect exceptions.	<b>Implemented</b>  The Fayetteville Police Department through our Technical Services Unit, conducts monthly inspections that includes built-in reports to detect exceptions.
7	Internal Audit recommends WEX fuel card administration responsibilities be reassigned in order to achieve an effective separation.	Management Concur  <b>Responsible Party:</b> Chief Gina V. Hawkins and Chief Financial Officer Jay Toland  <b>Implementation Date:</b> 9/1/2019	<b>Implemented</b>  The Fayetteville Police Department will follow Police #315, City of Fayetteville Fuel Card Practices and Procedures.	<b>Implemented</b>  The Fayetteville Police Department will follow Police #315, City of Fayetteville Fuel Card Practices and Procedures.
8	Management should ensure personnel sign a fuel usage agreement that details the terms and conditions on the proper use of	This will be a part of the overall departmental training of the City-wide policy.	<b>Implemented</b>  The Fayetteville Police Department will follow Police	<b>Implemented</b>  The Fayetteville Police Department will follow Police

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	the fuel card prior to issuing fuel cards.	<b>Responsible Party:</b> Assistant Chief Anthony Kelly  <b>Implementation Date:</b> 9/1/2019	#315, City of Fayetteville Fuel Card Practices and Procedures.	#315, City of Fayetteville Fuel Card Practices and Procedures.
9	Internal Audit recommends the Police Department implement the recommendations as previously presented in the above findings to ensure internal controls are established, followed, maintained, and properly documented to include a process to ensure adequate follow-up regarding questionable fueling transactions.	The evaluation of the entire process will include clear internal controls and documented accountability of the process.  <b>Responsible Party:</b> Chief Gina V. Hawkins  <b>Implementation Date:</b> 9/1/2019	<b>Implemented</b>  The Fayetteville Police Department will follow Police #315, City of Fayetteville Fuel Card Practices and Procedures.	<b>Implemented</b>  The Fayetteville Police Department will follow Police #315, City of Fayetteville Fuel Card Practices and Procedures.



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**A2019-06 Code Violation Enforcement and Collections**

1.1	<p>The Office of Internal Audit recommends management:</p> <ol style="list-style-type: none"> <li>Develop comprehensive policies and procedures that provide consistent code enforcement, to include but not limited to: (a) number of re-inspections and extensions allowed; (b) number of days allowed to correct specific code enforcement violations; (c) expectations of timely re-inspections; (d) when exceptions are applicable to the standard enforcement process; and (e) approval and documentation process for exceptions.</li> </ol>	<p>The development of the policies and procedures must be in accord with the city attorney practices which create multiple, non-linear paths for code compliance. We will work various departments to continue creating the balance of not becoming “too policy-constrained to be responsive and one that permits too much freedom to generate focused activity” (O’Malley, 2010) with more written policies and procedures than presently exist. Currently, 69 types of city code violations are handled by the division. Design by category of city ordinance violations will be initially categorized to create designs for code violation types standardizing all case types with the to-be-revised city code ordinances that also will become more standardized.</p> <p>The immediate application of the city’s newly created nuisance properties ordinance is underway. The newly formed nuisance ordinance will have relatable</p>	<p><b>Implemented</b></p> <p>Development Services staff has created several policies dealing with this recommendation. The Policy &amp; Procedure for Housing Violations (#214) provides a standard operating procedure for staff guidance to ensure consistency among staff in regards to applicable chapters of the City of Fayetteville Code and NC General Statutes and NC Building Code. This policy provides guidance for substandard exterior, substandard interior, unsecured building, 72 hour emergency housing violations and blighted and dangerous building cases. Operational Policy &amp; Procedure for Zoning Violations (#212) creates a standard operation and procedure policy for staff guidance to ensure consistency among staff in regards to applicable chapters of the City Fayetteville Code and NC</p>	<p><b>Implemented</b></p> <p>Development Services staff has created several policies dealing with this recommendation. The Policy &amp; Procedure for Housing Violations (#214) provides a standard operating procedure for staff guidance to ensure consistency among staff in regards to applicable chapters of the City of Fayetteville Code and NC General Statutes and NC Building Code. This policy provides guidance for substandard exterior, substandard interior, unsecured building, 72 hour emergency housing violations and blighted and dangerous building cases. Operational Policy &amp; Procedure for Zoning Violations (#212) creates a standard operation and procedure policy for staff guidance to ensure consistency among staff in regards to applicable chapters of the City Fayetteville Code and NC</p>
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**A2019-06 Code Violation Enforcement and Collections**

		<p>policies and practices to blend in the existing citation letters and then fold this provision into the new procedures. The division will further coordinate with the Fayetteville Police Department in encouraging activities connected to the RAMP program that presents opportunities for additional code enforcement of the most challenging rental housing properties.</p> <p>The division manager and supervisors presently meet weekly with the code enforcement team. They will immediately begin an element of training as a team and individual inspector training as new written policies are created. Fine tuning of draft policies will occur in conjunction with the front-line enforcement team and the legal team to ensure defensible practices exist with all personnel. Quarterly quality reviews will occur with evidenced reports presented back to the Development Services Assistant Director.</p>	<p>General and Statutes and NC Building Code. This policy stipulates a compliance times for violations of Chapters 24, 27, and 30 of the City of Fayetteville Code of Ordinances. The Notice of Violations Extension (#209) policy stipulates how and why extension may be granted and the procedure for documentation.</p>	<p>General and Statutes and NC Building Code. This policy stipulates a compliance times for violations of Chapters 24, 27, and 30 of the City of Fayetteville Code of Ordinances. The Notice of Violations Extension (#209) policy stipulates how and why extension may be granted and the procedure for documentation.</p>
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**A2019-06 Code Violation Enforcement and Collections**

		<p><b>Responsible Party:</b> Housing &amp; Code Enforcement Division Manager</p> <p><b>Implementation Date:</b> 06/30/2020</p>		
1.2	<p>The Office of Internal Audit recommends management:</p> <p>2. Ensure personnel are trained on comprehensive policies and procedures.</p>	<p>The development of the policies and procedures must be in accord with the city attorney practices which create multiple, non-linear paths for code compliance. We will work various departments to continue creating the balance of not becoming “too policy-constrained to be responsive and one that permits too much freedom to generate focused activity” (O’Malley, 2010) with more written policies and procedures than presently exist. Currently, 69 types of city code violations are handled by the division. Design by category of city ordinance violations will be initially categorized to create designs for code violation types standardizing all case types with the to-be-revised city code ordinances that also will become more standardized.</p>	<p><b>Implemented</b></p> <p>Staff has created a policy entitled, Method of Staff Meetings, Training, and Documentation (#211). The purpose of this policy is to provide a standard method of staff training, guidance, decision making and documentation to ensure staff competence and consistency in Code interpretation and enforcement. This policy stipulates that the Division managers and staff within the division meet on a regular basis to ensure open communication between managers and staff.</p>	<p><b>Implemented</b></p> <p>Staff has created a policy entitled, Method of Staff Meetings, Training, and Documentation (#211). The purpose of this policy is to provide a standard method of staff training, guidance, decision making and documentation to ensure staff competence and consistency in Code interpretation and enforcement. This policy stipulates that the Division managers and staff within the division meet on a regular basis to ensure open communication between managers and staff.</p>

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**A2019-06 Code Violation Enforcement and Collections**

		<p>The immediate application of the city’s newly created nuisance properties ordinance is underway. The newly formed nuisance ordinance will have relatable policies and practices to blend in the existing citation letters and then fold this provision into the new procedures. The division will further coordinate with the Fayetteville Police Department in encouraging activities connected to the RAMP program that presents opportunities for additional code enforcement of the most challenging rental housing properties.</p> <p>The division manager and supervisors presently meet weekly with the code enforcement team. They will immediately begin an element of training as a team and individual inspector training as new written policies are created. Fine tuning of draft policies will occur in conjunction with the front-line enforcement team and the legal team to ensure defensible practices exist</p>		
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**A2019-06 Code Violation Enforcement and Collections**

		<p>with all personnel. Quarterly quality reviews will occur with evidenced reports presented back to the Development Services Assistant Director.</p> <p><b>Responsible Party:</b> Housing &amp; Code Enforcement Division Manager</p> <p><b>Implementation Date:</b> 06/30/2020</p>		
1.3	<p>The Office of Internal Audit recommends management:</p> <p>3. Develop a documented quality review program to ensure compliance with comprehensive policies and procedures.</p>	<p>The development of the policies and procedures must be in accord with the city attorney practices which create multiple, non-linear paths for code compliance. We will work various departments to continue creating the balance of not becoming “too policy-constrained to be responsive and one that permits too much freedom to generate focused activity” (O’Malley, 2010) with more written policies and procedures than presently exist. Currently, 69 types of city code violations are handled by the division. Design by category of city ordinance violations will be initially categorized to create</p>	<p><b>Implemented</b></p> <p>The policy entitled Method of Staff Meetings, Training, and Documentation (#211) policy was drafted to ensure staff competence and consistency in Code interpretation and enforcement. This policy stipulates weekly meeting between the Department Director and Division Managers to discuss current issues, training and changes that are occurring within the Department. This policy provides guidance for the</p>	<p><b>Implemented</b></p> <p>The policy entitled Method of Staff Meetings, Training, and Documentation (#211) policy was drafted to ensure staff competence and consistency in Code interpretation and enforcement. This policy stipulates weekly meeting between the Department Director and Division Managers to discuss current issues, training and changes that are occurring within the Department. This policy provides guidance for the</p>

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		<p>designs for code violation types standardizing all case types with the to-be-revised city code ordinances that also will become more standardized.</p> <p>The immediate application of the city’s newly created nuisance properties ordinance is underway. The newly formed nuisance ordinance will have relatable policies and practices to blend in the existing citation letters and then fold this provision into the new procedures. The division will further coordinate with the Fayetteville Police Department in encouraging activities connected to the RAMP program that presents opportunities for additional code enforcement of the most challenging rental housing properties.</p> <p>The division manager and supervisors presently meet weekly with the code enforcement team. They will immediately begin an element of training as a team and</p>	<p>Division Managers to ensure proper code interpretation and enforcement, consistency among staff and proper file and record documentation and management.</p>	<p>Division Managers to ensure proper code interpretation and enforcement, consistency among staff and proper file and record documentation and management.</p>
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		<p>individual inspector training as new written policies are created. Fine tuning of draft policies will occur in conjunction with the front-line enforcement team and the legal team to ensure defensible practices exist with all personnel. Quarterly quality reviews will occur with evidenced reports presented back to the Development Services Assistant Director.</p> <p><b>Responsible Party:</b> Housing &amp; Code Enforcement Division Manager</p> <p><b>Implementation Date:</b> 06/30/2020</p>		
2.1	<p>The Office of Internal Audit recommends:</p> <p>1. Development Services management should coordinate with the City Attorney’s office to update the City Code of Ordinances as deemed necessary and ensure comprehensive policies and procedures are in agreement.</p>	<p>The current city ordinances create varying times for compliance and different citation charges. US Supreme Court (Timbs v. Indiana, 2019) implications of due process and prohibiting excessive fines will help frame the review of existing ordinances, fee schedules, and practices.</p>	<b>Implemented</b>	<b>Implemented</b>
			<p>Development Services Staff met with City Attorney’s office and drafted a policy entitled, Method of Reviewing and Updating Codes (#213). This policy stipulates that the Chapters of the Code that the Department is responsible for shall be reviewed on an annual basis to</p>	<p>Development Services Staff met with City Attorney’s office and drafted a policy entitled, Method of Reviewing and Updating Codes (#213). This policy stipulates that the Chapters of the Code that the Department is responsible for shall be reviewed on an annual basis to</p>

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**A2019-06 Code Violation Enforcement and Collections**

	<p>Any updates to the City Code of Ordinances should ensure compliance with North Carolina General Statutes.</p>	<p>Development Services will coordinate with the City Attorney’s office in producing suggested City Ordinance changes to address existing incongruities. Prior city policies will be updated with the City Attorney’s office as in prior practice. City Ordinance revisions and adjustments will need City Council approval.</p> <p>Existing practices will be converted to more formal written processes dealing with site and structure specific circumstances and general best practices for case management.</p> <p>An existing practice of an annual review of betterment practices for the department will continue to fold in the meetings with the City Attorney’s office has occurred prior to this audit which identified this need, independent of the audit, and has resulted in City Ordinance changes earlier in 2019.</p>	<p>ensure consistency between the various Chapters and consistency with the NC General Statutes and the NC Building Code.</p>	<p>ensure consistency between the various Chapters and consistency with the NC General Statutes and the NC Building Code.</p>
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**A2019-06 Code Violation Enforcement and Collections**

		<p><b>Responsible Party:</b> Assistant Director, Development Services</p> <p><b>Implementation Date:</b> 03/30/2020</p>		
2.2	<p>The Office of Internal Audit recommends:</p> <p>2. Management should obtain written guidance from the City Attorney’s office for the enforcement of code violations that deviate from the standard code enforcement cases.</p>	<p>The current city ordinances create varying times for compliance and different citation charges. US Supreme Court (Timbs v. Indiana, 2019) implications of due process and prohibiting excessive fines will help frame the review of existing ordinances, fee schedules, and practices.</p> <p>Development Services will coordinate with the City Attorney’s office in producing suggested City Ordinance changes to address existing incongruities. Prior city policies will be updated with the City Attorney’s office as in prior practice. City Ordinance revisions and adjustments will need City Council approval.</p> <p>Existing practices will be converted to more formal written processes dealing with site and structure</p>	<p><b>Implemented</b></p> <p>Development Services Staff met with City Attorney’s office and drafted a policy entitled, Notice of Violations Extensions (#209). This policy provides direction of how and when time extensions from a Notice of Violation are allowed and tracked. The policy provides direction as to why an extension may be granted, such as military deployment, and the proper method to track the extension within the database.</p>	<p><b>Implemented</b></p> <p>Development Services Staff met with City Attorney’s office and drafted a policy entitled, Notice of Violations Extensions (#209). This policy provides direction of how and when time extensions from a Notice of Violation are allowed and tracked. The policy provides direction as to why an extension may be granted, such as military deployment, and the proper method to track the extension within the database.</p>

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		<p>specific circumstances and general best practices for case management.</p> <p>An existing practice of an annual review of betterment practices for the department will continue to fold in the meetings with the City Attorney’s office has occurred prior to this audit which identified this need, independent of the audit, and has resulted in City Ordinance changes earlier in 2019.</p> <p><b>Responsible Party:</b> Assistant Director, Development Services</p> <p><b>Implementation Date:</b> 03/30/2020</p>		
2.3	<p>The Office of Internal Audit recommends:</p> <p>3. Management should develop a process for reviewing the City’s Code of Ordinances, as it pertains to code enforcement, to ensure updates are made as necessary.</p>	<p>The current city ordinances create varying times for compliance and different citation charges. US Supreme Court (Timbs v. Indiana, 2019) implications of due process and prohibiting excessive fines will help frame the review of existing ordinances, fee schedules, and practices.</p>	<p><b>Implemented</b></p> <p>Development Services Staff met with City Attorney’s office and drafted a policy entitled, Method of Reviewing and Updating Codes (#213). This policy stipulates that the Chapters of the Code that the Department is responsible for shall be reviewed on an annual basis to</p>	<p><b>Implemented</b></p> <p>Development Services Staff met with City Attorney’s office and drafted a policy entitled, Method of Reviewing and Updating Codes (#213). This policy stipulates that the Chapters of the Code that the Department is responsible for shall be reviewed on an annual basis to</p>

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		<p>Development Services will coordinate with the City Attorney’s office in producing suggested City Ordinance changes to address existing incongruities. Prior city policies will be updated with the City Attorney’s office as in prior practice. City Ordinance revisions and adjustments will need City Council approval.</p> <p>Existing practices will be converted to more formal written processes dealing with site and structure specific circumstances and general best practices for case management.</p> <p>An existing practice of an annual review of betterment practices for the department will continue to fold in the meetings with the City Attorney’s office has occurred prior to this audit which identified this need, independent of the audit, and has resulted in City Ordinance changes earlier in 2019.</p>	<p>ensure consistency between the various Chapters and consistency with the NC General Statutes and the NC Building Code.</p>	<p>ensure consistency between the various Chapters and consistency with the NC General Statutes and the NC Building Code.</p>
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**A2019-06 Code Violation Enforcement and Collections**

		<p><b>Responsible Party:</b> Assistant Director, Development Services</p> <p><b>Implementation Date:</b> 03/30/2020</p>		
3	<p>The Office of Internal Audit recommends: Services management should coordinate with the Finance Department to develop comprehensive policies and procedures showing clear lines of departmental responsibilities regarding the assessment and collections of abatements costs, civil penalties and administrative fees, to include but not limited to the authority to waive/reduce abatement costs, collection agency reporting and periodic reconciliations.</p>	<p>The lack of delineation was determined in January 2019 by the Development Services Director and Assistant Director. Coordination began with the newly appointed Chief Financial Officer to work through the roles of each department. The formalizing of these policies is targeted to occur within the first six months of the current vacant position being filled. The first three months of the new person as the Assistant Director will allow an acclimation of overall duties and documentation of the process in place and issues to resolve.</p> <p><b>Responsible Party:</b> Assistant Director, Development Service</p> <p><b>Implementation Date:</b> 03/30/2020</p>	<p><b>Implemented:</b></p> <p>The Operational Policy &amp; Procedure for Citations (#218) policy mandates the process Development Services follows for the re-inspection after a citation is issued and for the notification of the City Finance Department and the City Attorney’s Office, and for the monitoring for abatement of the property in violation. Directors and staff from Development Services and Finance as well as staff from IT have met to try to utilize Cityworks to assist Finance in the citation payment receipt process. This process is still ongoing.</p> <p>Staff from Development Services will continue to work with staff from Finance and IT</p>	<p><b>Partially Implemented</b></p> <p>The Appeal Civil Citation (#206) policy provides direction of how and when an appeal from a civil penalty is allowed. The steps for the appeal, being handled by the City Attorney’s office, and processed by the City Finance Department as an Appeal hearing are stipulated and delegated.</p> <p>Staff from Development Services will continue to work with other departments to meet the collection agency reporting recommendation.</p>

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			to assist in creating the process Finance must follow to collect payments.	

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**A2019-04 Residential Solid Waste Fees**

1.1	<p>The Office of Internal Audit recommends management:</p> <ol style="list-style-type: none"> <li>Solicit City Council’s support on updates necessary to the City Code of Ordinances Chapter 22, Solid Waste as it will be essential to ensure adherence to the City Code of Ordinances;</li> </ol>	<p>Management will seek council direction regarding level/scope of solid waste services. Full implementation of ‘Recommendation #1’ is contingent upon continuation of the ‘existing’ level/scope of services within solid waste division with no significant additions such as service to multi-family units or commercial facilities.</p> <p><b>Responsible Party:</b> Public Services Director</p> <p><b>Implementation Date:</b> Management will seek Council support in the format of a preliminary work session presentation by April 30, 2020 and follow up ordinance updates by September 30, 2020 contingent upon continuation of the ‘existing’ level/scope of services within the solid waste division.</p>	<p><b>Not Implemented</b></p> <p>Solid Waste Management is in the process of reviewing the Solid Waste Ordinance and has completed a number of internal meetings with the most recent one being held on July 9, 2020.</p> <p>Management will seek Council support and guidance regarding the City’s Level of Service Expectations in the format of a preliminary work session presentation. Original completion date for this was April 30, 2020. Due to COVID 19 this presentation has been postponed to September 2020 with any ordinance amendments to be presented in Nov 2020.</p>	<p><b>Not Implemented</b></p> <p>Solid Waste Management is in the process of reviewing the Solid Waste Ordinance.</p> <p>Management will seek Council support and guidance regarding the City’s Level of Service Expectations in the format of a preliminary work session presentation. Original completion date for this was April 30, 2020. Due to COVID 19 this presentation has been postponed to June 2020 or August 2020 with any ordinance amendment to be presented in Nov 2020.</p>
1.2	<p>The Office of Internal Audit recommends management:</p>	<p>Management will seek council direction regarding level/scope of solid waste services. Full implementation of</p>	<p><b>Not Implemented</b></p> <p>Solid Waste Management is in the process of reviewing the</p>	<p><b>Not Implemented</b></p> <p>Solid Waste Management is in the process of reviewing the</p>

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**A2019-04 Residential Solid Waste Fees**

	<p>2. Coordinate with the City Attorney’s office to update the City Code of Ordinances to allow solid waste services to be provided consistently and ensure the residential solid waste fees are being assessed appropriately. Any updates to the City Code of Ordinances should ensure compliance with North Carolina General Statutes.</p>	<p>‘Recommendation #1’ is contingent upon continuation of the ‘existing’ level/scope of services within solid waste division with no significant additions such as service to multi-family units or commercial facilities.</p> <p><b>Responsible Party:</b> Public Services Director</p> <p><b>Implementation Date:</b> Management will seek Council support in the format of a preliminary work session presentation by April 30, 2020 and follow up ordinance updates by September 30, 2020 contingent upon continuation of the ‘existing’ level/scope of services within the solid waste division.</p>	<p>Solid Waste Ordinance and has completed a number of internal meetings with the most recent one being held on July 9, 2020.</p> <p>Management will seek Council support and guidance regarding the City’s Level of Service Expectations in the format of a preliminary work session presentation. Original completion date for this was April 30, 2020. Due to COVID 19 this presentation has been postponed to September 2020 with any ordinance amendments to be presented in Nov 2020.</p>	<p>Solid Waste Ordinance.</p> <p>Management will seek Council support and guidance regarding the City’s Level of Service Expectations in the format of a preliminary work session presentation. Original completion date for this was April 30, 2020. Due to COVID 19 this presentation has been postponed to June 2020 or August 2020 with any ordinance amendment to be presented in Nov 2020.</p>
2.1	<p>The Office of Internal Audit recommends management:</p> <p>1. Update the customer addresses in Fleetmind consistent with current routes.</p>	<p>Management concurs with recommendations to update the customer address in Fleetmind consistent with the current routes and existing level of service. Services will be field verified and updated into Fleetmind one record at a time.</p>	<p><b>Implemented</b></p> <p>The upload for Fleetmind of residential household &amp; yard waste customers is completed. The total number uploaded were 627 customers with both HH &amp; YW services to total 1258</p>	<p><b>Implemented</b></p> <p>The upload for Fleetmind of residential household &amp; yard waste customers is completed. The total number uploaded were 627 customers with both HH &amp; YW services to total 1258</p>

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**A2019-04 Residential Solid Waste Fees**

		<p><b>Responsible Party:</b> Public Services Director</p> <p><b>Implementation Date:</b> Public Services Solid Waste Division will update the customer address in FleetMind consistent with the current routes and existing level of service by March 31, 2020.</p>	records uploaded. This was completed January 17, 2020.	records uploaded. This was completed January 17, 2020.
2.2	<p>The Office of Internal Audit recommends management:</p> <p>2. Develop a process to add, activate and inactivate addresses in Fleetmind as needed to maintain current, accurate, valid data.</p>	<p>Management concurs with the need to develop a process to add, activate and inactivate addresses in Fleetmind to maintain a current, accurate, and valid data base. However this process is contingent upon the outcomes of ‘Recommendation #1’. Further, full implementation of these processes involves compliance and cooperation from entities outside the direct control and influence of the Solid Waste Division such as CoF’s Planning Division, Cumberland County and FleetMind Vendor. Implementation dates provided below are for those activities that are within the direct control and</p>	<p><b>Partially Implemented</b></p> <p>Solid Waste continues to explore options on how to update the current data base that Fleetmind uses for addresses. This step is necessary to help develop a ‘process’ to add, activate and inactivate addresses in Fleetmind to maintain a current, accurate, and valid data base. Further --full implementation is contingent upon “Recommendation #1.”</p> <p><b>Partially Implemented</b></p> <p>Solid Waste has updated the customer records and routing</p>	<p><b>Not Implemented</b></p> <p>Solid Waste is exploring options on how to update the current data base that Fleetmind uses for addresses. This step is necessary to help develop a ‘process’ to add, activate and inactivate addresses in Fleetmind to maintain a current, accurate, and valid data base. Further --full implementation is contingent upon “Recommendation #1.”</p>



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**A2019-04 Residential Solid Waste Fees**

		<p>influence of the Solid Waste Division as well as what can be accomplished within Council appropriated budgetary limits.</p> <p><b>Responsible Party:</b> Public Services Director</p> <p><b>Implementation Date:</b> Public Services Solid Waste Division will develop a process to add, activate and inactivate addresses in Fleetmind to maintain a current, accurate, and valid data base by June 30, 2022 contingent upon management responses.</p>	<p>data for Fleetmind to coincide with CAMA data and Cityworks data. Fleetmind data will still need to be updated upon “Recommendation 1”, and once the new tax levy is available, and the data has been vetted.</p>	
2.3	<p>The Office of Internal Audit recommends management:</p> <p>3. Develop comprehensive written policies and procedures to maintain Fleetmind data integrity, once the processes are established.</p>	<p>Management concurs with the need to develop comprehensive written policies and procedures to maintain Fleetmind data integrity. However this process is contingent upon the outcomes of ‘Recommendation #1’. Further, full implementation of these processes involves compliance and cooperation from entities outside the direct control and influence of the Solid Waste Division such as CoF’s Planning Division, Cumberland</p>	<p><b>Not Implemented</b></p> <p>Solid Waste Management will begin writing policies and procedures to maintain data integrity for Fleetmind once the Solid Waste Ordinance has been updated.</p>	<p><b>Not Implemented</b></p> <p>Solid Waste Management will start writing policies and procedures to maintain data integrity for Fleetmind once the Solid Waste Ordinance has been updated.</p>

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		<p>County and FleetMind Vendor. Implementation dates provided below are for those activities that are within the direct control and influence of the Solid Waste Division as well as what can be accomplished within Council appropriated budgetary limits.</p> <p><b>Responsible Party:</b> Public Services Director</p> <p><b>Implementation Date:</b> Public Services Solid Waste Division will develop comprehensive written policies and procedures to maintain Fleetmind data integrity by June 30, 2022 contingent upon management responses.</p>		
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