

Internal Audit Report on the User ID System

County of Henrico



*Proud of our progress;
Excited about our future*

Internal Audit Report #253
November 18, 2015

HENRICO COUNTY INTERNAL AUDIT
<http://henrico.us/audit>
4301 EAST PARHAM ROAD
P.O. BOX 90775, HENRICO, VIRGINIA 23273-0775

Internal Audit Report on the User ID System



Report #253
November 18, 2015



Summary

- Scheduled Audit
- Conclusions on Audit Objectives (refer to Slide 14)
- Exception Oriented
- 5 reportable Issues
- Management Action Plans have been developed to address all risks identified





Contents

- Introduction and Background
- Scope, Internal Controls and Methodology
- Conclusions on Audit Objectives
- Issues and Management Action Plans
- Closing and Report Distribution



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Introduction

- Auditor III, Sharon Cherry, performed audit work
- Used professional auditing standards
- Examined controls & tested for selective compliance
- All exceptions given to Agency
- Reported control design issues & significant test exceptions only
- Work for same Government we audit

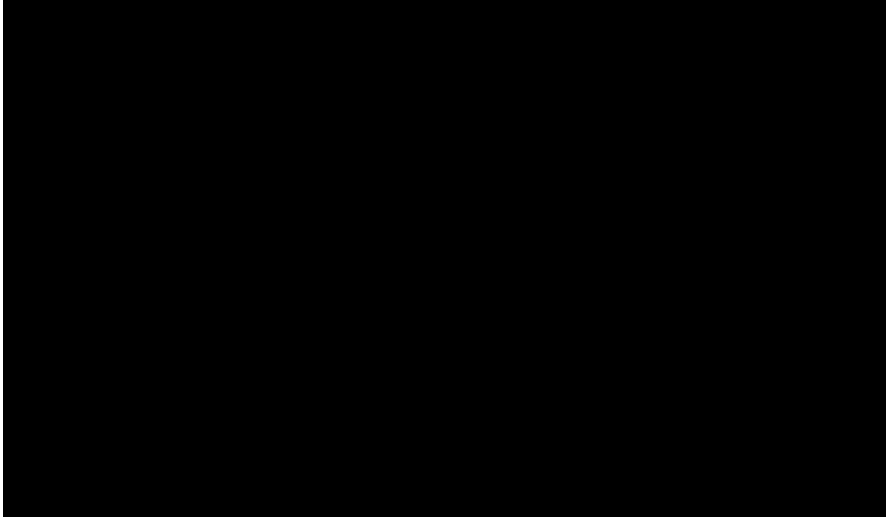


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Background

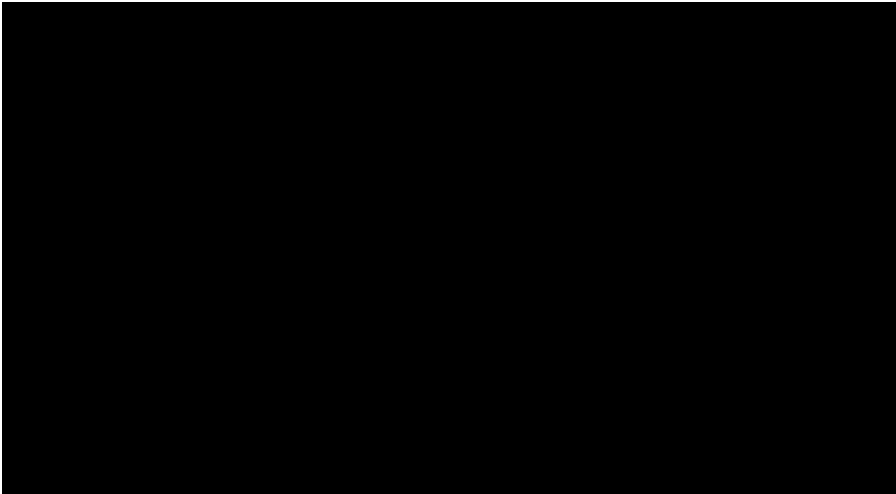


Henrico County Internal Audit

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Background

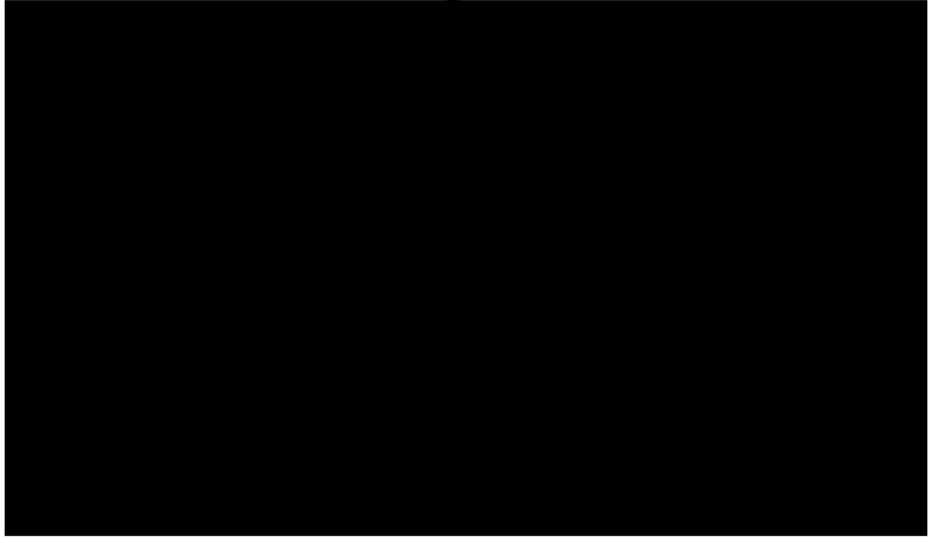


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Background

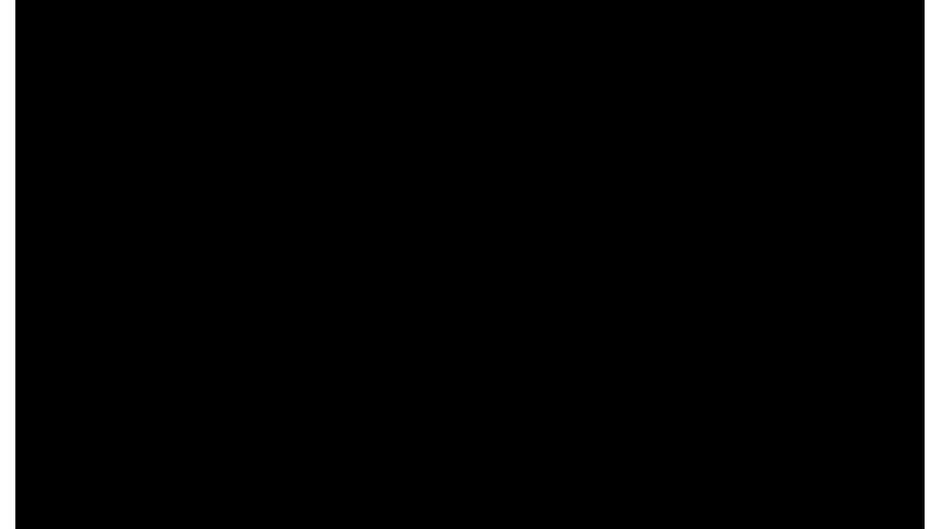


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Background

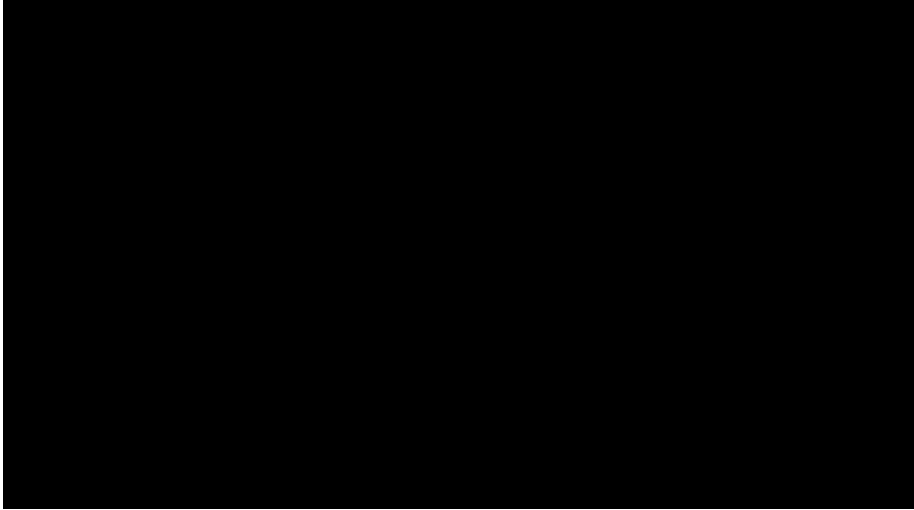


Henrico County Internal Audit

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Background

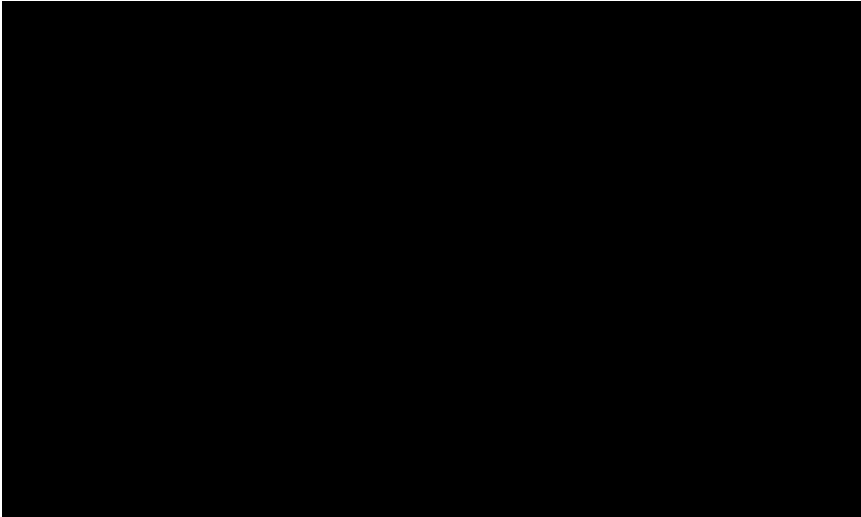


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Audit Scope



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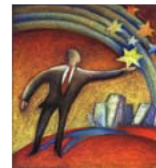
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Internal Controls

Objectives

- Reliability and integrity of information
- Compliance with policies, procedures, laws and regulations
- Safeguarding of assets
- Effectiveness and efficiency of operations



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Internal Controls Cont'd

General Limitations of any Controls

- Errors and irregularities may go undetected
- Inherent limitations in any control structure
- Limitations include resource constraints, legislative restrictions, etc.
- Projection to future subject to risk of change in effectiveness
- Compliance may deteriorate



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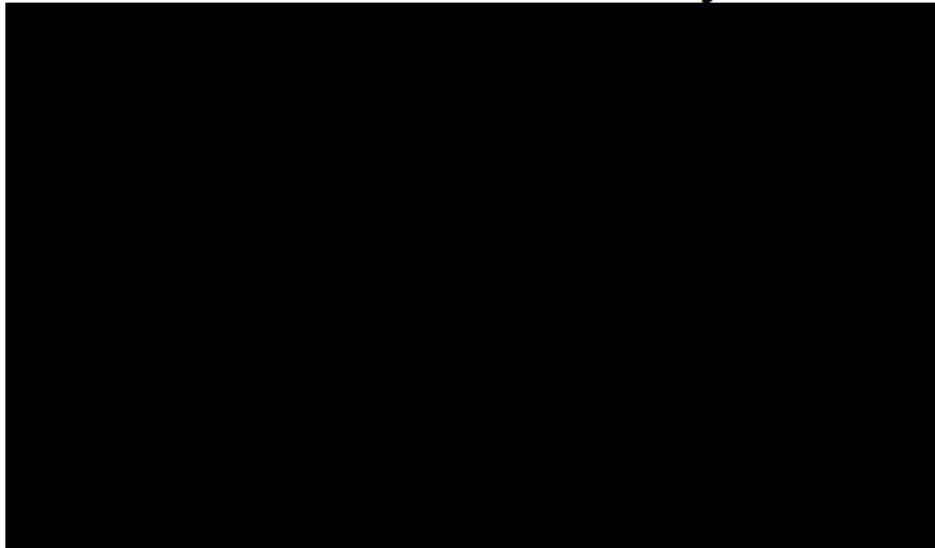


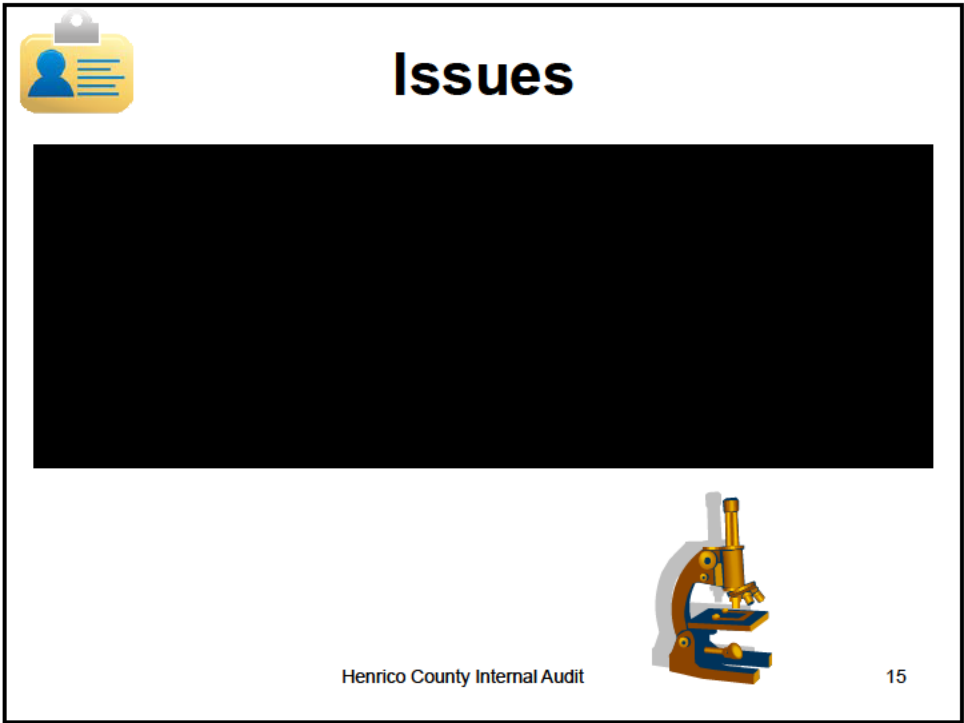
Audit Methodology


- Performed transactional and process walkthroughs to identify control strengths and weaknesses
- Tested for compliance with key controls
- Judgmentally selected transactions and supporting documents for testing
- Evaluated policies and procedures




Conclusions on Audit Objectives





 **Issues**



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This slide features a large black rectangular redaction covering the main content area. The title 'Issues' is centered at the top. A yellow icon of a person with a clipboard is in the top left, and a microscope icon is in the bottom right. The footer contains the text 'Henrico County Internal Audit' and the page number '15'.




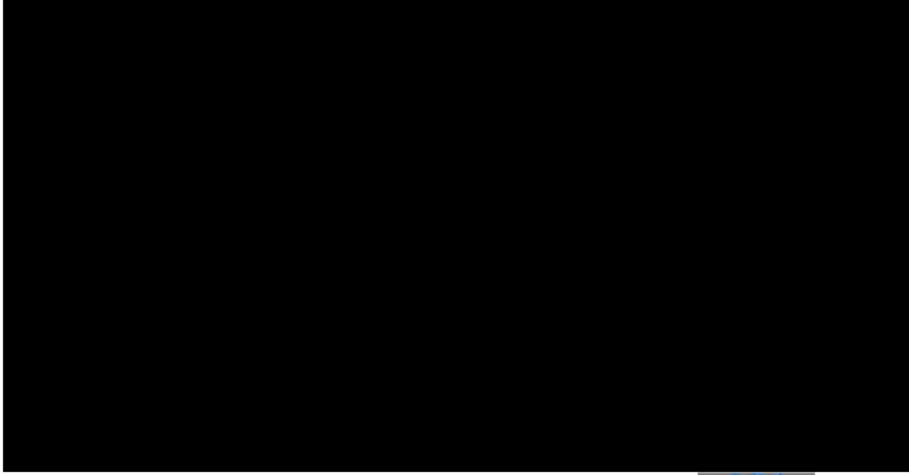
Issue 1





16

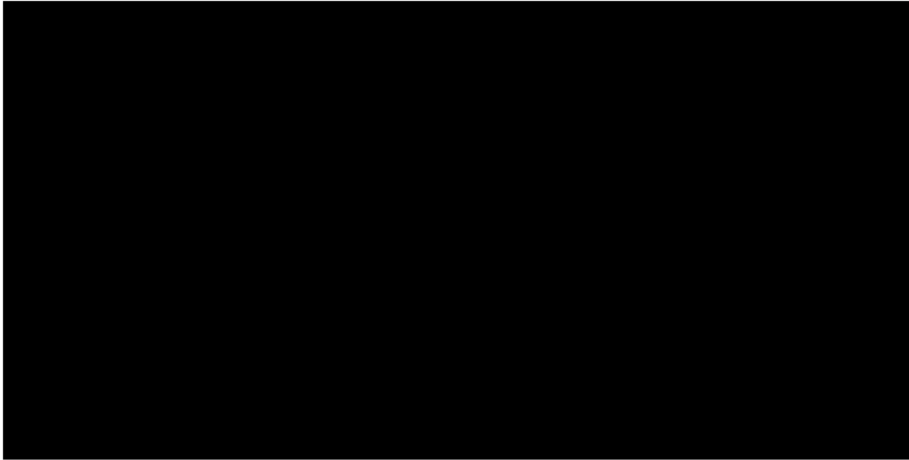
This slide features a large black rectangular redaction covering the main content area. The title 'Issue 1' is in the top right corner. A red box with the text 'Policies & Procedures' is centered at the bottom. The footer contains the page number '16'.


 **Condition** **Issue 1**




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 **Condition** **Issue 1**




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 Issue 1


Condition




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 Issue 1


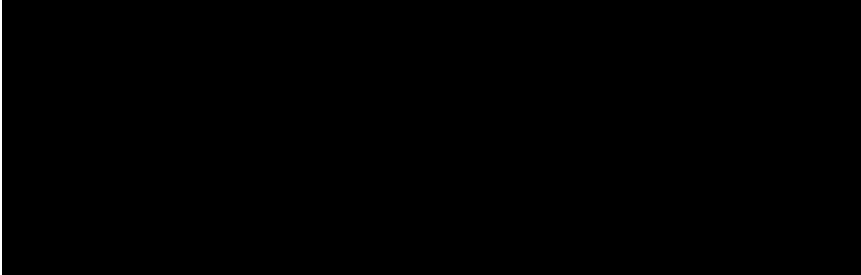
Effect




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 **Issue 1**



Cause




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 **Issue 1**

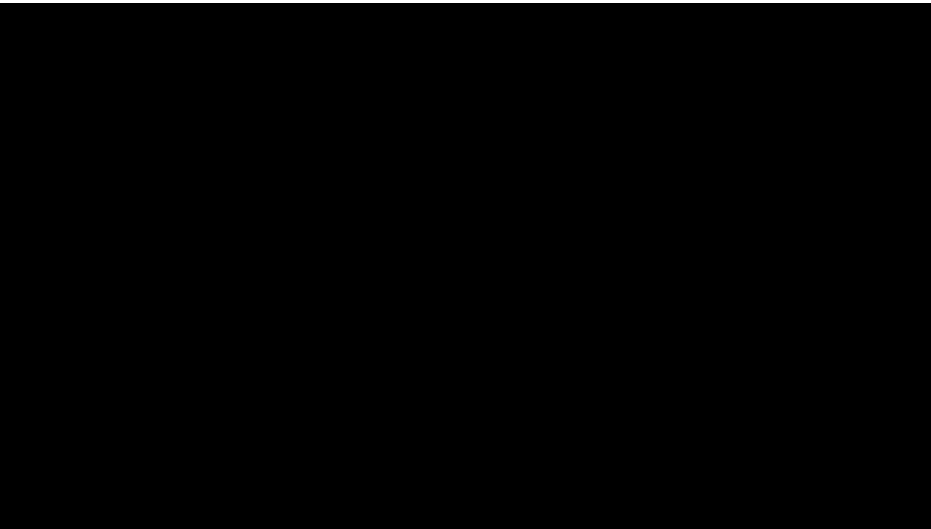
Criteria




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 **Issue 1**



Recommendation




Henrico County Internal Audit 23

 **Issue 1**

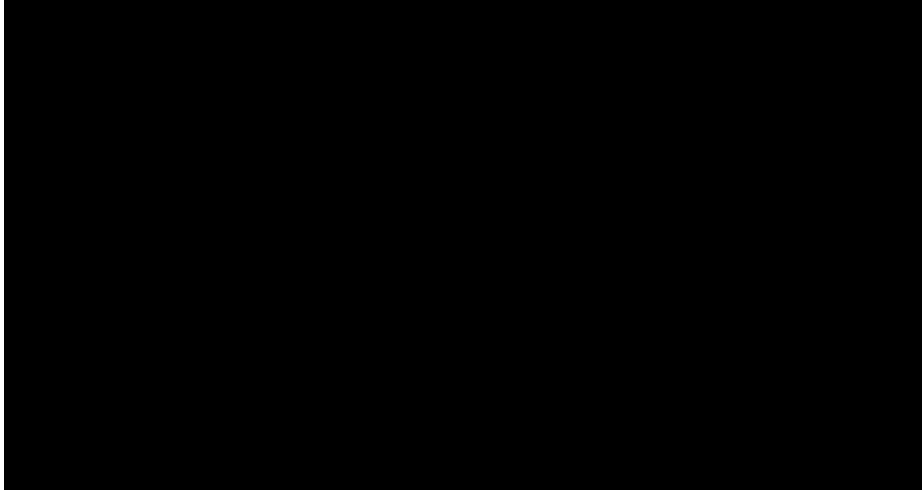
Recommendation




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 **Issue 1**

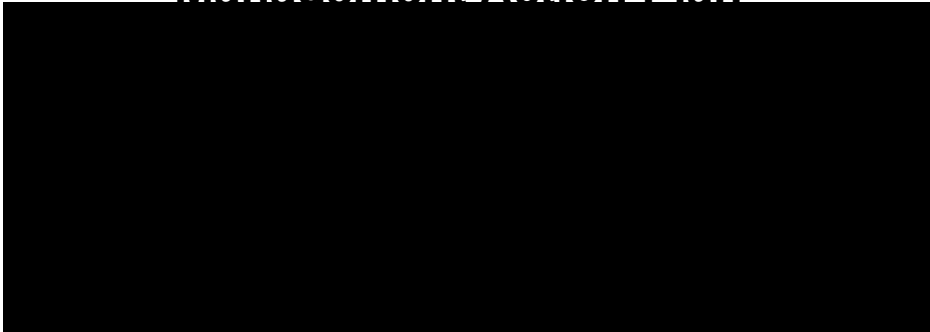
Management Action Plan



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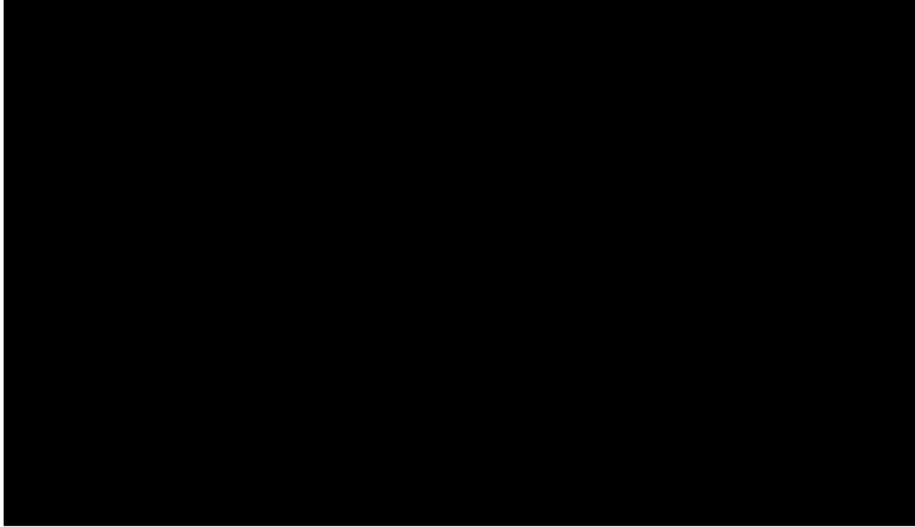
 **Issue 1**

Management Action Plan



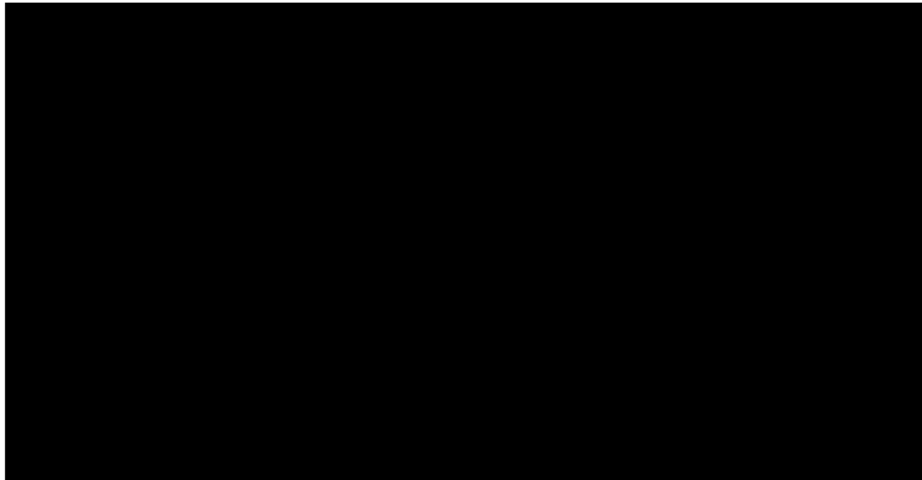
Henrico County Internal Audit 26


Issue 2



Issue 2

Condition




 **Issue 2**

Effect




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 **Issue 2**

Cause

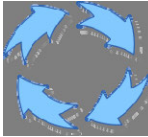
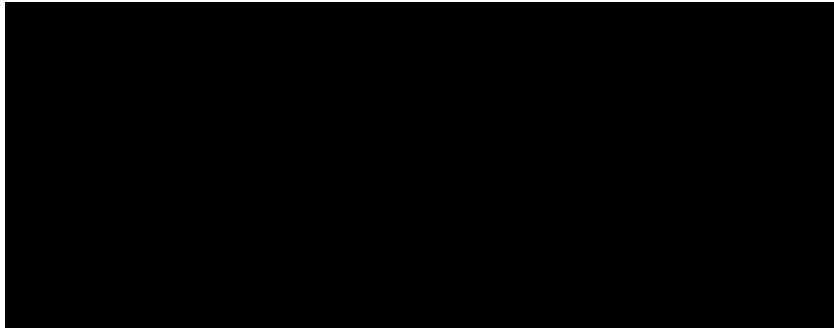
Criteria




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 **Issue 2**

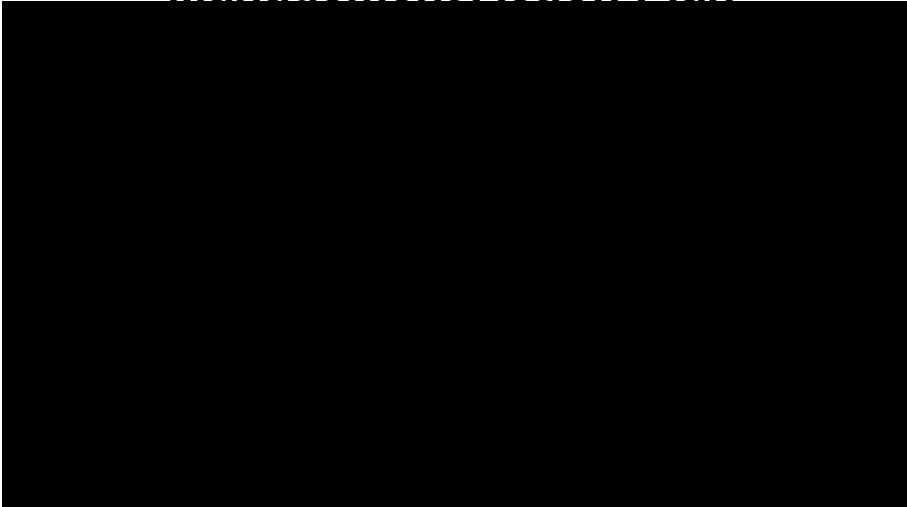
Recommendation



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 **Issue 2**

Management Action Plan




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Issue 3

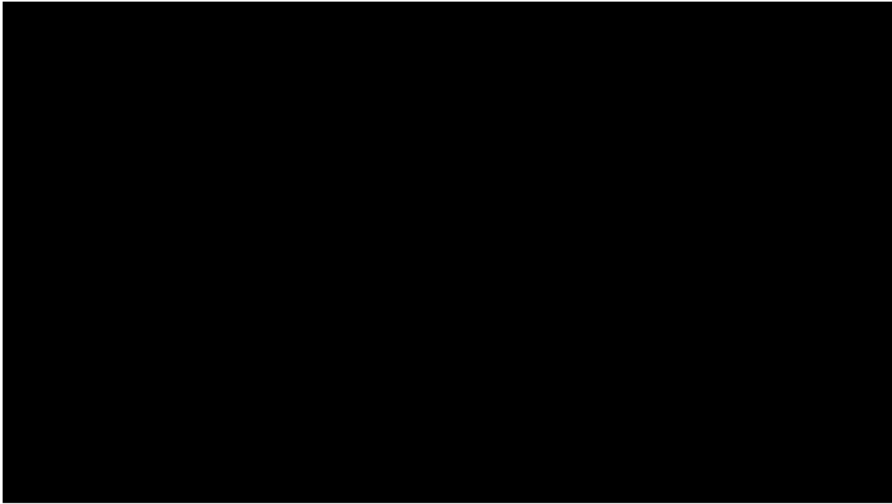


33




Condition


Issue 3

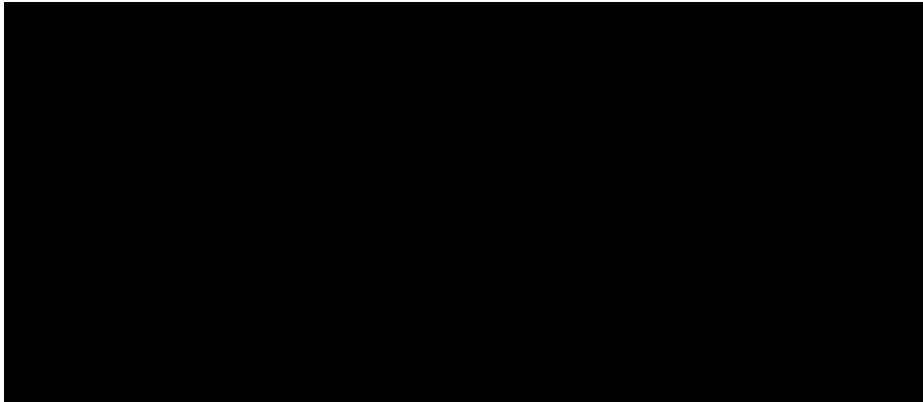



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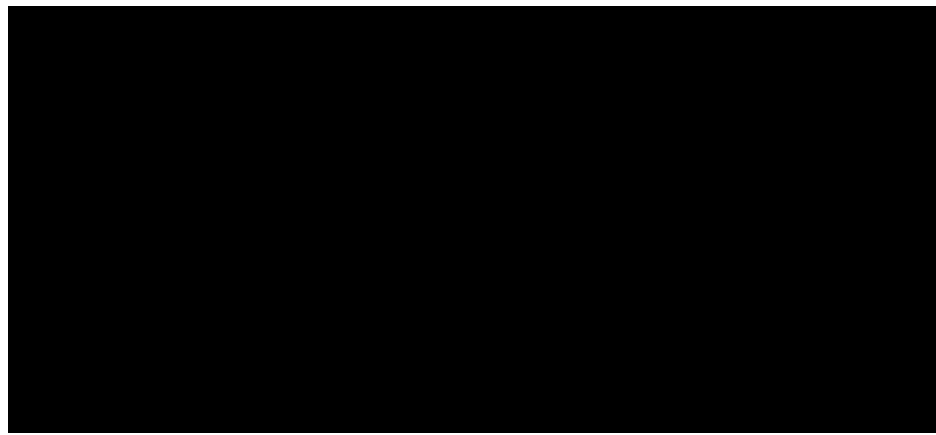
 **Condition** **Issue 3**







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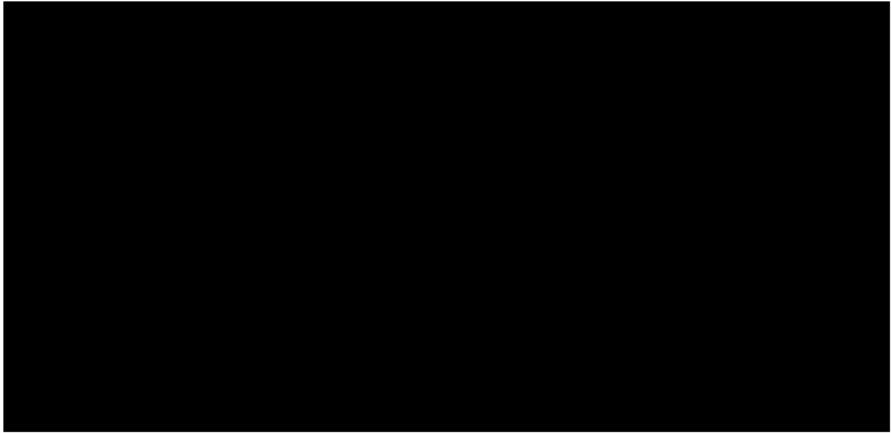
 **Effect** **Issue 3**







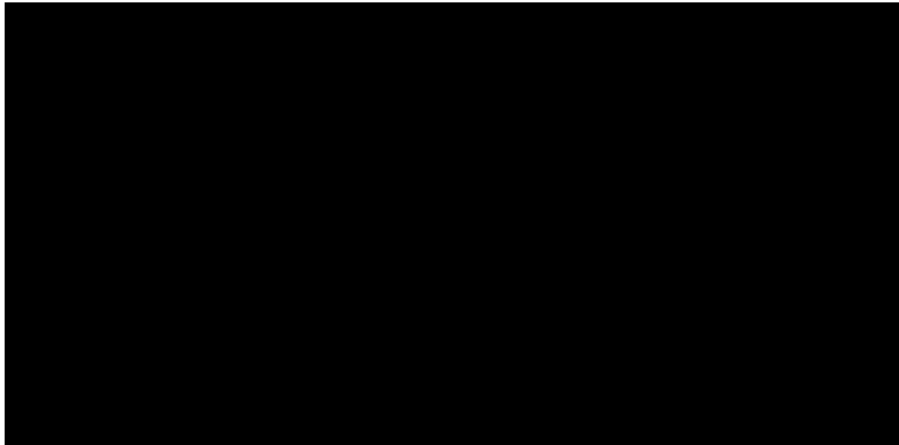
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 **Cause** **Issue 3**





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 **Criteria** **Issue 3**




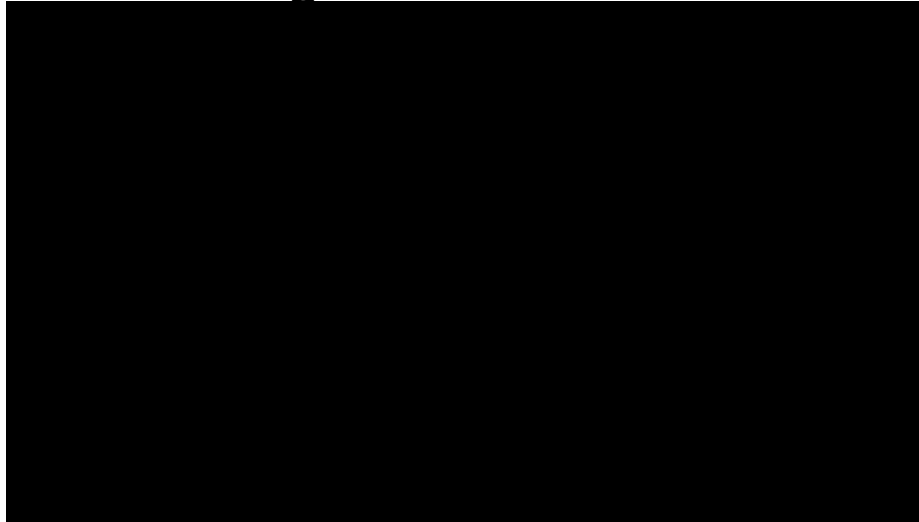
Henrico County Internal Audit  38

 **Recommendation** **Issue 3**




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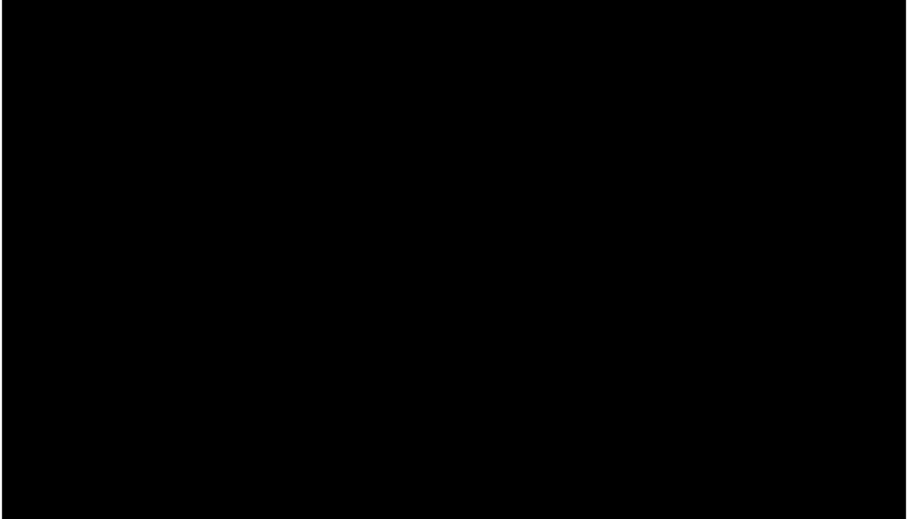
 **Management Action Plan** **Issue 3**



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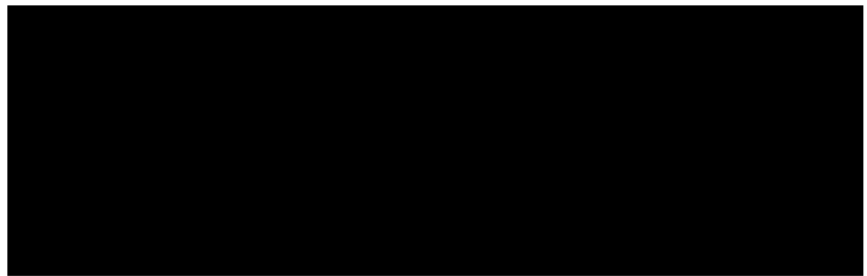
 **Issue 3**

Management Action Plan




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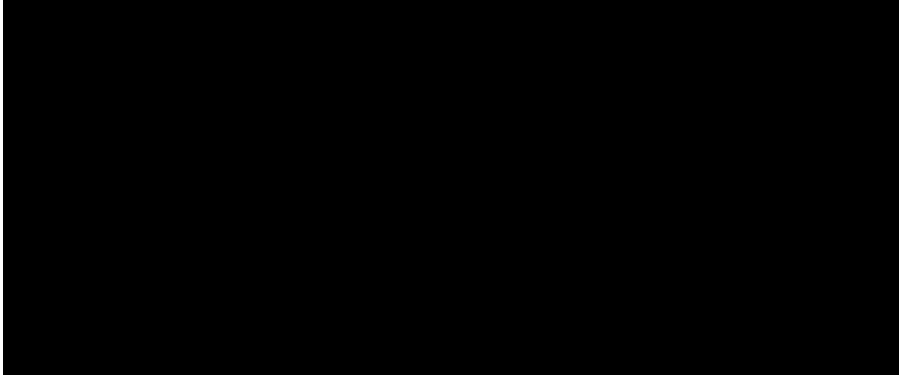
Issue 4




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 **Issue 4**



Condition




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 **Issue 4**



Effect




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 **Issue 4**


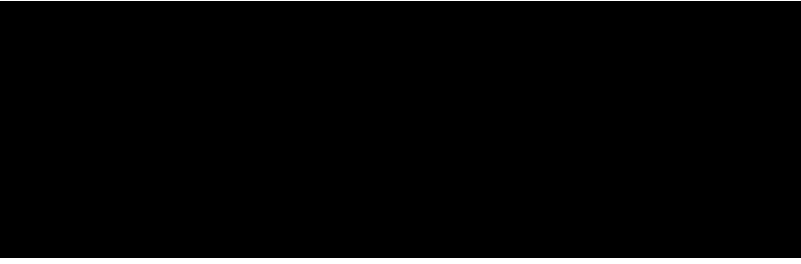
Cause




Henrico County Internal Audit 45

 **Issue 4**


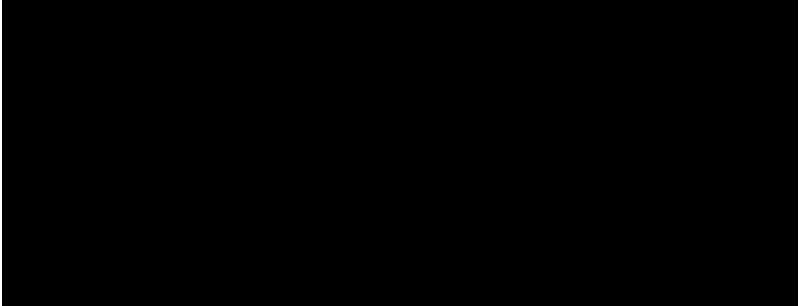
Criteria




Henrico County Internal Audit 46

 **Issue 4**

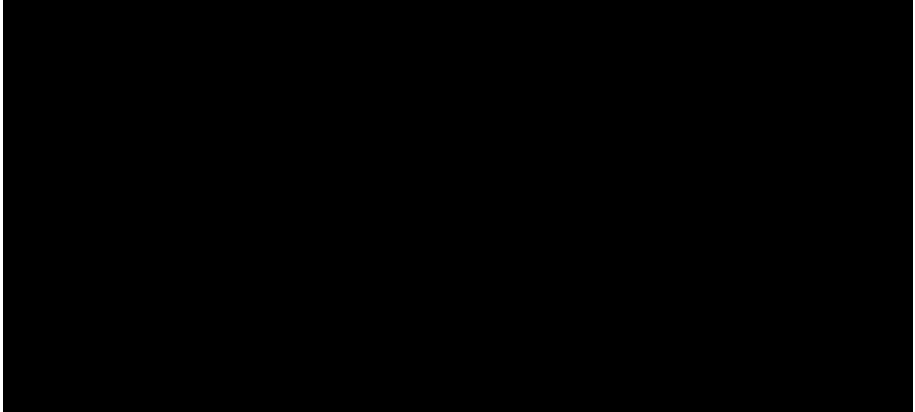
Recommendation



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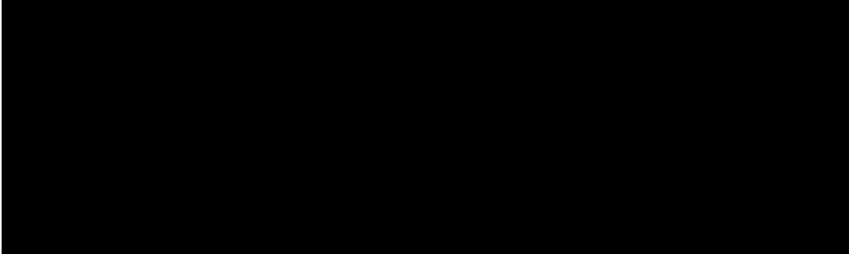
 **Issue 4**

Management Action Plan




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Issue 5

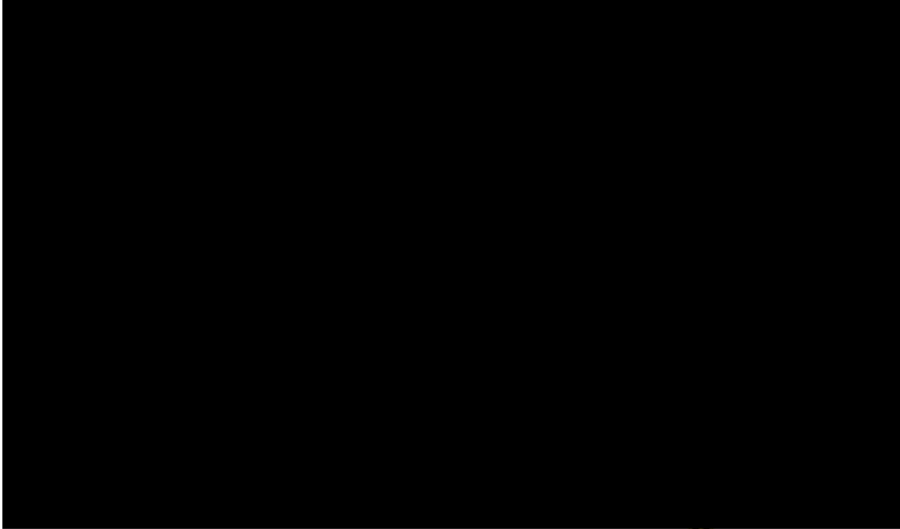



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Condition


Issue 5




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 **Issue 5**

Effect







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 **Issue 5**

Cause

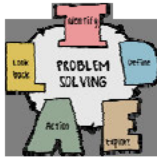
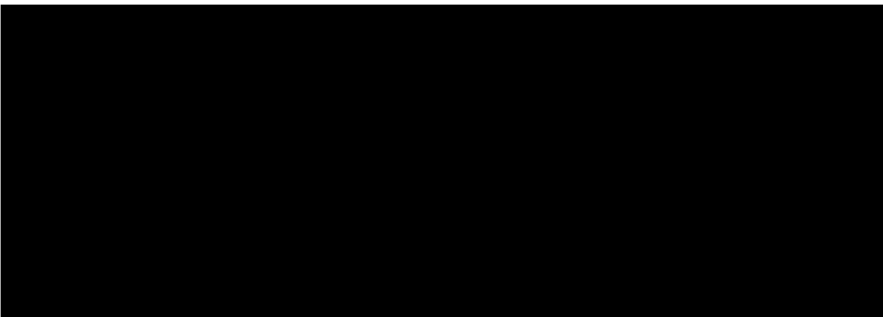




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 **Issue 5**

Criteria


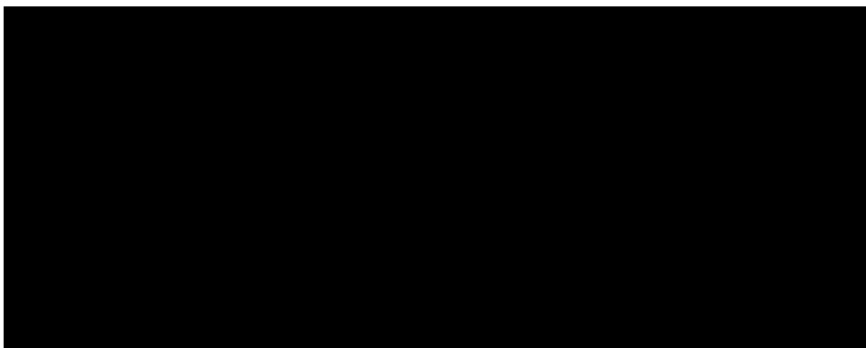


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The diagram is a circular flowchart with 'PROBLEM SOLVING' in the center. It is surrounded by six colored boxes: 'Identify' (pink), 'Define' (blue), 'Evaluate' (orange), 'Action' (green), 'Look back' (yellow), and 'Monitor' (grey).


 **Issue 5**

Recommendation



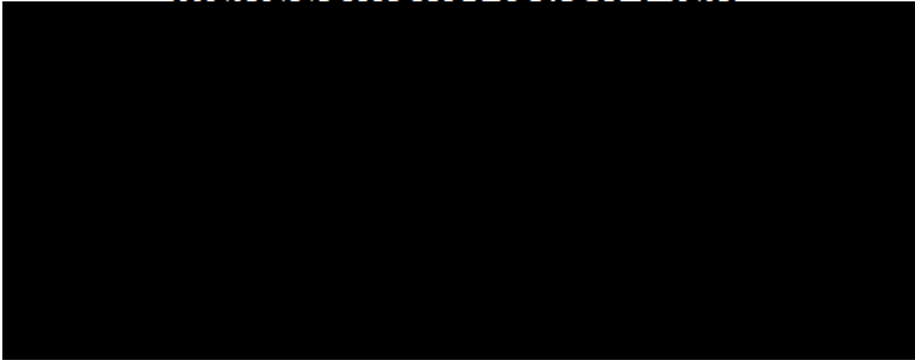
Henrico County Internal Audit 54

The sign is a yellow diamond with the text 'CHANGE AHEAD' in black.




Issue 5

Management Action Plan




Henrico County Internal Audit 55



Closing

- Appreciate Agency's cooperation
- Follow up on open Action Plans will be performed as completion dates are reached or after sufficient time has passed to ensure the actions are effective and on-going.



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Report Distribution

Audit Committee (Mr. Glover, Mrs. O'Bannon, County Manager)	Board of Supervisors, Non-Committee Members
Deputy County Manager for Administration	Director of Information Technology
Internal Audit Staff	



Audit Contact Information

Sharon Cherry, Auditor III

Phone: 804-501-4210

E-Mail: che045@henrico.us

Vaughan Crawley, Director of Internal Audit

Phone: 804-501-4292

E-Mail: cra85@henrico.us