

## SUMMARY

The Office of the Auditor General has conducted a follow-up review of the Local Governance Support Center (LGSC) corrective action plan (CAP) implementation regarding audit report no. 10-01. The Budget and Finance Committee approved the corrective action plan on April 6, 2010 by resolution no. BFAP-07-10. This review was conducted in accordance with 12 N.N.C. Section 7 (G) to determine whether LGSC has implemented the corrective actions to resolve the audit findings.

Our CAP follow-up review found:

Finding I:

- 4 of 4 corrective measures have not been implemented.

Finding II:

- 2 of 2 corrective measures have not been implemented.

Finding III:

- 2 of 2 corrective measures have not been implemented.

Finding IV:

- 1 of 1 corrective measure is not applicable at this time.

Finding V:

- 1 of 2 corrective measures has been implemented, and
- 1 of 2 corrective measures has not been implemented.

Finding VI:

- 1 of 1 corrective measure has not been implemented.

Overall, 10 of 12 (83%) corrective measures from the Local Governance Support Centers corrective action plan approved by the Budget and Finance Committee have not been implemented. One corrective measure is deemed not applicable at this time and one was fully implemented. The corrective action plan identified LGSC Senior Programs & Projects Specialist (SPPS), the Division Director and Deputy Director of Division of Community Development (DCD) as the responsible parties to implement the corrective action plan. Nonetheless, these responsible parties did not fulfill their responsibilities resulting in the corrective action plan not being implemented.

Title 12 N.N.C. Section 8 imposes upon LGSC and DCD the duty to implement the corrective action plan according to the terms of the plan. Section 9 imposes sanction against the program, the director of the program as well as the director of the division which fails to implement a corrective action plan. Accordingly, the Office of the Auditor General recommends that sanctions be imposed against LGSC program, the five LGSC SPPS, the DCD Division Director and Deputy Director in accordance with 12 N.N.C. Section 9 (B) and (C) for failure to fully implement the corrective action plan.