

Cemetery Operations Performance Audit



June 2021

**City of Durham
Audit Services Department
101 City Hall Plaza
Durham, NC 27701
919-560-4213**

Staff

**Germaine F. Brewington, Director
Sonal Patel, Assistant Director
Dredlin Rodriguez, Senior Auditor
Marcus Mundy, Internal Auditor
Robert Espinosa, Quality Control**

**AUDIT SERVICES**

CITY OF DURHAM

Date: June 14, 2021
To: Audit Services Oversight Committee
From: Germaine Brewington, Director of Audit Services
Subject: Cemetery Operations Performance Audit

The Audit Services Department staff completed the report for the Cemetery Operations Performance Audit dated June 2021. The purposes of this audit were to: 1) review cemetery maintenance and burial services; 2) review cemetery collection processes; and 3) review record keeping procedures and best practices.

This report presents the observations and results of the Cemetery Operations Performance Audit. Eight recommendations were proposed. In response to these audit recommendations, City Management concur with the recommendations made. The detailed Management Response to the recommendations is included with the attached report.

The Department of Audit Services staff would like to acknowledge the contributions of staff from the General Services Department that provided information to enable the audit process. Audit Services staff would also like to thank the Fire Department for using its Drone technology to create an aerial view of the Maplewood Cemetery, which added value to this audit.

Table of Content

Highlights	5
Background	8
Objectives	11
Scope, Methodology, and Compliance	11
Scope.....	11
Methodology.....	11
Compliance	13
Results and Findings.....	14
Objective 1 Results Summary	14
Finding 1.....	14
Finding 2.....	16
Finding 3.....	16
Objective 2 Results Summary	17
Finding 4.....	17
Finding 5.....	20
Finding 6.....	21
Objective 3 Results Summary	21
Finding 7.....	22
Finding 8.....	23
Finding 9.....	24
Conclusion.....	25
Recommendations	26
Recommendation 1.....	26
Recommendation 2.....	26
Recommendation 3.....	26
Recommendation 4.....	26
Recommendation 5.....	27

Recommendation 6.....	27
Recommendation 7.....	27
Recommendation 8.....	27
Management Response	28
Distribution of Report	31

Audit Report Highlights

Background

The General Services Department operates and maintains the City's two cemeteries, Maplewood and Beechwood. Operations include burials, lot sales, grounds maintenance, and landscaping. Maplewood and Beechwood Cemeteries offer traditional burial and cremation services. Both cemeteries feature beautiful views, veterans' sections, flat markers, upright headstones, and mausoleums.

Objectives

The objectives of the audit were to:

- 1) Review the cemetery maintenance and burial services;
- 2) Review the cemetery Revenue Collections Process; and
- 3) Review record keeping procedures and best practices.

Why this audit is important

An effective internal control environment for the City's cemetery operations ensures risk of cash receipts being misappropriated without detection is mitigated; and ensures accurate records exist for the burial and cremation services.

Highlights

At present, controls over cash receipts at the Cemetery Division are weak and the weak controls create an environment that presents an opportunity for fraud to occur. Lack of: segregation of duties, standard operating procedures (SOPs), management oversight and staffing all contribute to this weak control environment. In addition, record keeping practices need to be streamlined. Data resides in different sources/systems and there are no set guidelines that specify what information should be collected and recorded in the different record documents/systems. Cemetery Division staff use hand marked maps to determine which grave sites are still available. The General Services Department staff have entered into a contract to use Plotbox Cemetery Management software. Use of this software will streamline processes and facilitate better cemetery operations and records management. However, inaccurate information imported into the new system will restrict the efficiencies the City can gain from the new software. Emphasis should be placed on a data verification process to ensure data entered into Plotbox is accurate.

Adequate processes exist to assign staff for burials and cemetery maintenance. Comprehensive draft standard operating procedures (SOPs) exist to help with coordination between the operations and administration staff. The SOPs need to be finalized.

Audit Services staff noted violations of some Cemetery Regulations.

This page intentionally left blank

Audit Services Department

Internal Audit

The Audit Services Department serves a three-fold role at the City of Durham. Our number one goal is to provide independent, objective assurance that City processes are working effectively. Secondly, we serve as internal fraud examiners when fraud, waste, or abuse is alleged against a City employee or department. Finally, to constantly foster high ethical standards, we provide in-depth ethical training to all City employees on a rolling basis. To learn more, visit our CODI site or our page on the [City of Durham’s website](#).

Audit Services Oversight Committee

To maintain its organizational independence, the Audit Services Department reports to the Audit Services Oversight Committee (ASOC) at a minimum of four times a year. The ASOC approves all proposed audit plans and completed audits prepared by Audit Services staff.

The Audit Services Oversight Committee is made up of six members: two City Council Members, three resident members, and one alternate City Council Member. The current members include one certified public accountant and persons with business experience. The City Manager is an ex-officio, non-voting member of the ASOC.

Audit Services Oversight Committee Members

Chair:

Maticia Sims, CPA, CIA, CRMA
Resident Member

Vice-Chair:

Nicolas Long
Resident Member

Committee Members:

Steve Schewel
Mayor
City Council Member

Jillian Johnson
Mayor Pro-Tempore
City Council Member

Shanell Frazer
Resident Member

Charlie Reece
Alternate
City Council Member

Non-Voting Member:

Wanda Page
City Manager

Background

The General Services Department operates and maintains the City's two cemeteries, Maplewood and Beechwood. Operations include burials, lot sales, grounds maintenance, and landscaping. Maplewood and Beechwood Cemeteries offer traditional burial and cremation services. Both cemeteries feature beautiful views, veterans' sections, flat markers, upright headstones, and mausoleums. Established by the City of Durham in 1872, Maplewood Cemetery comprises 120 acres of history. Some of Durham's most prominent residents rest here, including Dr. Bartlett Durham and members of the Washington Duke family. In 1924, the City of Durham created Beechwood Cemetery to consolidate overfilling and neglected black cemeteries in the City. Beechwood has close to twenty-five acres of land and contains the graves of many of Durham's African American business and community leaders, including John Merrick, founder of North Carolina Mutual Life Insurance Company, C.C. Spaulding, General Manager & President of North Carolina Mutual Life Insurance Company, and Dr. James E. Shepard, founder and President of the National Religious Training School, which would later become NCCU (City of Durham Department of General Services, 2021).

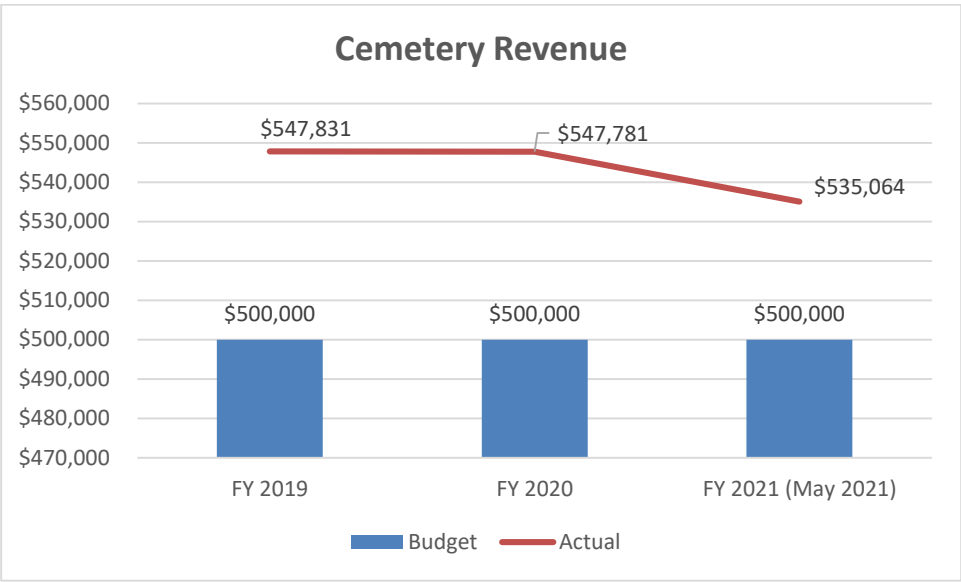
For FY 2021—May 2021 to date, the City has earned approximately \$535,064 in revenues from cemetery operations; and for FY 2020 revenues amounted to approximately \$547,781. Graph 1 below shows revenues for the cemetery operations.

Reference

(City of Durham Department of General Services. 2021.

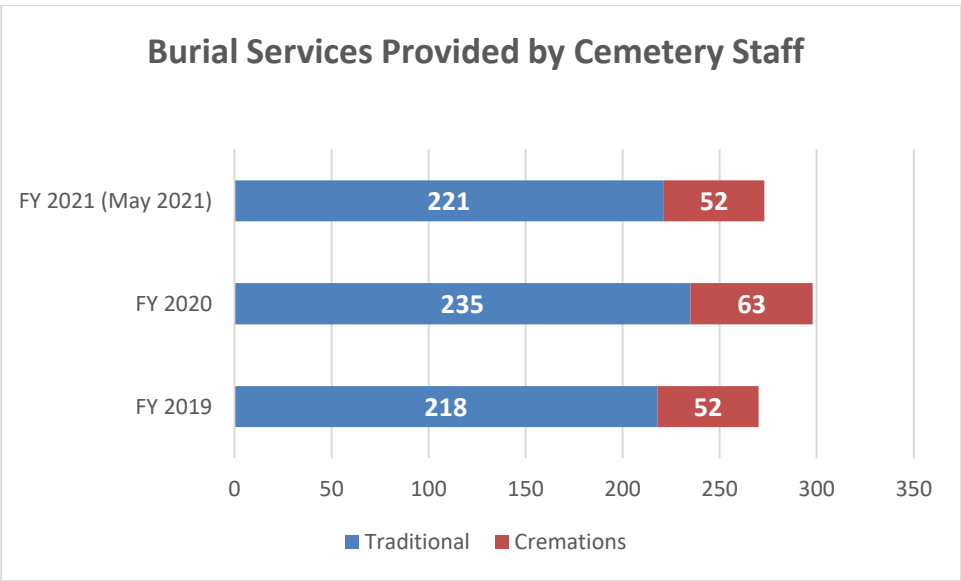
[https://durhamnc.gov/737/Cemeteries-Management.Cemeteries Management | Durham, NC \(durhamnc.gov\)\).](https://durhamnc.gov/737/Cemeteries-Management.Cemeteries%20Management%20Durham,%20NC%20(durhamnc.gov)))

Graph 1: Cemetery Division revenues



Graph 2 below shows the number of burial services (cremations and traditional burials) provided by the Cemetery Division staff.

Graph 2: Burial services provided by the Cemetery Division staff



Rules and Regulations Governing the Cemeteries

The Department of General Services has established rules and regulations for both of the cemeteries. These rules and regulations are based on a combination of Chapter 14 of the City Code of Ordinances, approved by the City Council of the City of Durham on April 3, 2000; The Fee Schedule of the City of Durham, revised on November 23, 2015; and the Standard Operational Procedures in place for the City of Durham Cemeteries Division as provided to the Department of General Services on January 2, 2015. These rules and regulations govern the ownership, use and control of burial space.

Record Keeping

The records are in the form of burial cards, maps, dated receipt books, memo booklets that contain burial information, and the NEXUS (electronic) system.

Objectives

The objectives of the audit were to:

- Review the cemetery maintenance and burial services;
- Review the cemetery Revenue Collections Process; and
- Review record keeping procedures and best practices.

Scope, Methodology, and Compliance

Scope

The scope of the audit included examining all current practices as they relate to the cemetery operations at the City.

Methodology

Audit Services Department staff performed the following procedures to accomplish the objectives of the audit. Staff:

1. Reviewed the scheduling process for services provided by the Cemetery Division staff;
2. Reviewed the process of opening and closing of graves;
3. Interviewed operations and administrative staff associated with cemetery operations;
4. Collaborated with the Fire Department staff to create an aerial view of a section of Maplewood Cemetery using Drone technology;
5. Reviewed the staff assignment process for burials;
6. Verified ground maintenance at Maplewood and Beechwood cemeteries to ensure compliance with the Ordinance;
7. Reviewed the grounds maintenance schedule and staff assignment process;
8. Reviewed revenues reported for FY 2021 and FY 2020;

9. Performed a reasonableness test to determine if revenues recorded were in line with services performed for FY 2021;
10. Reviewed the cash collections process;
11. Selected a judgmental sample of general billing accounts from MUNIS and verified that the financial information was updated in Nexus. Also verified how interest was applied and how accounts were credited for payments received;
12. Selected a judgmental sample of plots sold from Nexus for FY 2021 and FY 2022 and verified that revenue was reported in MUNIS;
13. Selected nineteen sales agreements for FY 2021 and verified that revenue was collected and deposited/reported in MUNIS;
14. Reviewed monitoring of the revenues by someone other than the administrator;
15. Benchmarked with other cities to gain an understanding of their cemetery operations;
16. Reviewed the number of available plots;
17. Reviewed the record keeping process;
18. Selected a judgmental sample of cards and verified if information was accurately recorded in Nexus;
19. Selected from Nexus a judgmental sample of plots sold and verified if information was recorded on cards and a deed existed if applicable;
20. Selected a judgmental sample of deeds from the City Clerks' Office and verified if the information matched Nexus and the card files;
21. Walked random sections of the cemetery and verified if information was accurate on the cards and in Nexus; and
22. Verified the accuracy of the maps of available sites.

During the audit, the Audit Services Department staff also maintained awareness for the potential existence of fraud.

Compliance

Audit Services staff conducted this performance audit per generally accepted government auditing standards. Those standards require that the Audit Services staff plan and perform the audit to obtain sufficient and appropriate evidence to provide a reasonable basis for our findings and conclusions based on the audit objectives. Audit Services staff believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Results and Findings

Objective 1 Results Summary

REVIEW OF CEMETERY MAINTENANCE AND BURIAL SERVICES

Adequate processes exist to assign staff for burials and cemetery maintenance. Comprehensive draft standard operating procedures (SOPs) exist to help with coordination between the operations and administration staff. The SOPs need to be finalized. Audit Services staff noted violations of some Cemetery Regulations.

Finding 1

Audit Services staff found:

Residents are violating the Cemetery Ordinance; and the Ordinance is also not being enforced by the Cemetery Division staff.

The Ordinance outlines what residents can and cannot do at the Beechwood and Maplewood Cemeteries. Specific violations of the Ordinance noted by Audit Services staff include:

Animal and pet violation: Animals are walked, trained or play in the cemeteries and leave behind animal waste. These practices are a common occurrence in both cemeteries; occurring more frequently in Maplewood than Beechwood. This conduct is in violation of the Ordinance regulations.

See Exhibit 1 below for an example of a violation of the Ordinance around flowers, trees and plants.

Flowers, trees and plant violation:

Trees that exceed the height of the monument, dead or wilting flowers in containers that are breakable, and containers such as alcohol bottles were common occurrences in both cemeteries, occurring more frequently in Maplewood than Beechwood. Flowers, trees, and plants that are not adequately kept or are in violation of the Ordinance add additional maintenance for the staff and negatively impact the appearance of the cemeteries.



Exhibit 1: Glass bottle and wilted flowers – violations of the Ordinance; name blacked out intentionally.

In addition, the General Services staff notified Audit Services staff that defiling of monuments also occurs at the cemeteries with little to no consequence. Defiling of monuments is a violation of the Ordinance and cost the City resources for the repairs. The Audit Services staff noted that outside of these infractions cemeteries were kept on par with the Ordinance.

Opportunity exists to use Drone Technology (maintained by the Fire Department –see Exhibit 2) to facilitate the efficient maintenance of cemetery grounds. Audit Services staff collaborated with the Fire Department staff to see if use of the Drone technology could be a viable option to help with cemetery maintenance. Based on the trial flight it appeared that this technology could help Cemetery Division staff more efficiently maintain the grounds without detracting from their current capacity. See Exhibit 3 below for an aerial view of a section of the Maplewood Cemetery.



Exhibit 2: Fire Department Drone



Exhibit 3: Aerial view via Drone of a section of the Maplewood Cemetery

Finding 2

Audit Services staff found:

Standard operating procedures (SOPs) over the cemetery operations are in draft form.

The Cemetery Maintenance staff have drafted SOPs that are comprehensive. These SOPs should be finalized. Written SOPs provide employees with information to perform a job properly, facilitate consistency in the quality and integrity of the end-result, help with knowledge transfer and ensure continuity of operations.

Finding 3

Audit Services staff found:

Cemetery Division staff perform certain tasks for funeral homes that are not paid for by the funeral service providers.

Understaffed funeral service providers cost City resources. The City is

utilizing tax payer resources to cover the lack of capacity of some of the funeral service providers. The City always endeavors to provide great customer service. However, funeral service providers should be notified that they will be responsible for any resources utilized by the City to compensate for their understaffing. The draft SOPs clearly define services to be provided to the funeral homes. In addition, the draft SOPs also require staff to notify the funeral service providers of any extra services that were provided so that billing can occur.

Objective 2 Results Summary

REVIEW OF THE CEMETERY REVENUE COLLECTIONS PROCESS

Controls over cash receipts are weak and the weak controls create an environment favorable for an opportunity of fraud to occur. Lack of: pre-numbered sales agreements/receipts, segregation of duties and management oversight over the collections process increase the risk of cash receipts being misappropriated without detection.

Finding 4

Audit Services staff found:

Controls over cash receipts at the Cemetery are weak.

Weak controls around cemetery operations should be addressed immediately as they increase the risk of cash receipts being misappropriated.

Lack of adequate controls can increase the risk of cash receipts being misappropriated without detection. A well-designed set of internal procedures

can provide reasonable assurance that significant theft of cash receipts and record keeping errors will be properly managed or detected. Audit Services staff reviewed controls over cash receipts to determine:

1. That proper safeguards over un-deposited cash receipts are in place;

2. That cash receipts collected are deposited accurately;
3. That cash receipts are deposited timely;
4. That segregation of duties exists; and
5. That management oversight over the collections and deposits process is adequate.

Control deficiencies were noted in the following areas:

Deposit of cash receipts

- Sales agreements and receipts are not pre-numbered. Pre-numbered sales agreements/receipts can help reduce the risk of theft or misappropriation of cash. Pre-numbered invoices facilitate the monitoring process which helps ensure all cash collected is deposited intact. In addition, sales agreements are not always signed by the customer or the funeral service providers that are conducting business with the City. If a customer does not sign a sales agreement, the transaction may not be binding.
- Cash receipts at present are not deposited timely. Payments received are housed in the Cemetery Administration Office and deposited at the earliest opportunity of the Cemetery Administration staff due to limited staffing resources. Cemetery staff is trying to establish the current practice of depositing the funds weekly. Per City Policy FP 303-2 Cash handling – City Cash Policy, “deposits must be made within twenty-four (24) hours or next banking day after receipt”. At present the staff is no longer accepting cash payments which reduces some of the risk of not making deposits timely; but they are still accepting checks.
- Equipment used to accept payments (card reader, check reader, etc.) is not up to date. The staff do not have access to a check reader that would allow check payments to be processed at the time of receipt. As a result, efficiency of the collections process is impacted. Once a check has been received by the Cemetery Administration staff, that receipt serves as the trigger to start the preparation and execution of the funeral arrangements. However, having possession of a check does not guarantee that funds are available. Checks should be processed at the time of receipt.

- One instance was noted out of a sample of 19 sale agreements selected for testing, where a payment could not be verified in MUNIS for a specific sale agreement. In addition, the related information for that sale was not contained in Nexus.
- General Services Department staff highlighted a potential discrepancy in plots sold and monies collected for a sale transaction during the Audit Department fieldwork. Audit Services staff could not conclusively determine that fraud had occurred. However, the weak controls created a favorable environment and opportunity for fraud and misappropriation to occur.

Segregation of duties

- Receiving, depositing and reconciling functions are not segregated at the Cemetery. The staff that collects cash prepares the deposit and updates information in Nexus and MUNIS. The purpose of segregation of duties is to minimize the opportunity for an employee to misappropriate funds and avoid detection. The person who records the transaction should not have custody of the asset. Ideally, different individuals should perform all of these activities.

Employees responsible for collecting cash and preparing deposits are recording cash transactions in the MUNIS and Nexus systems. Segregating the duties of receiving and recording cash transactions prevents a single employee from skimming un-deposited cash and altering records to disguise the theft. Segregating the duties of preparing bank deposits from recording duties prevents an employee from removing cash from a bank deposit and altering accounting records to disguise the theft.

Management oversight over the collections and deposits process

- Lack of segregation of duties exists at the Cemetery as indicated above. In smaller operations, it may not be feasible to entirely segregate all of the cash-related duties. In these circumstances, the Department management should rely on increased monitoring as a compensating control to mitigate the risk of cash misappropriation. Control activities do not exist to ensure all cash collected for the cemetery operations is deposited. Management oversight specifically over the collections process has been limited.

Increasing management oversight over the cash collection function can address the risk that exists due to a lack of segregation of duties.

Finding 5

Audit Services staff found:

Funeral homes are billed for services.

Service providers (funeral homes) are not required to have payments on outstanding accounts paid in full prior to the initiation of the services. Service providers have the ability to serve as the middle man for individuals who need funeral services performed. If an individual chooses the services of a funeral home, the funeral home will contact the City and make the necessary arrangements. In these instances, the funeral home will be billed by the City and they will pay the City. Services will be provided by the City even if funeral homes have outstanding balances on their account. Individuals that deal directly with the City have to pay in full prior to a service being performed by the City. The requirement for full payment prior to a burial service for individuals but not funeral home providers is not equitable. In

The requirement for full payment prior to a burial service for individuals and not funeral service providers is not equitable.

addition, when making payments, funeral homes do not specify who the service was for limiting the Cemetery Division staff's ability to reconcile payments made for services rendered.

Finding 6

Audit Services staff found:

A control is missing to mitigate risk of staff turnover.

A City employee who handled the administrative processes of the cemetery operations left City employment. The new staff member had to simultaneously learn the administrative function and continue the processes without much guidance. As a result, continuity of operations was affected. Standard operating procedures did not exist. The development and use of standard operating procedures (SOPs) are an integral part of a successful quality control system. Written SOPs provide employees with information to perform a job properly, facilitate consistency in the quality and integrity of the end-result, help with knowledge transfer and ensure continuity of operations. In addition, at present only this new staff member is responsible for all aspects of Cemetery administration. The other position that is also part of Cemetery administration has been reassigned to assist with other operational needs. This lack of capacity further increases the risk of operations running inefficiently.

Objective 3 Results Summary

REVIEW OF RECORD KEEPING PROCEDURES AND BEST PRACTICES

Record keeping practices need to be streamlined. Data resides in different sources and there are no set guidelines that specify which information should be collected and recorded in the different record documents/systems. In addition, the Cemetery Division staff utilize hand marked maps to determine which grave sites are still available. The General Services Department staff have entered into a contract with Plotbox Inc. to obtain the Plotbox Cemetery Management software. Use

of this software will streamline processes and facilitate better cemetery operations and records management. However, inaccurate information imported into the new system will restrict the efficiencies the City can gain from the new software. NEXUS will be used as the primary data source for conversion over to the new Plotbox system despite the physical records going as far back as the mid to late 1800s. The main data source—NEXUS, only contains data from its inception in 2007 to present. In addition, information may reside on physical cards and deeds. Emphasis should be placed on a data verification process to ensure data entered into Plotbox is accurate.

Finding 7

Audit Services staff found:

Information is not consistent among the various records that exist and physical records are not maintained in an organized manner.

The recording of information in NEXUS and in card form is not consistent. Financial profiles and lot information are not being updated to reflect current/accurate information. There are no set guidelines that specify which information should be collected and recorded in both NEXUS and on the cards to ensure that the records are both consistent and accurate. Records are not maintained in an organized manner. Physical records are not being maintained to ensure the integrity of the record. Exhibit 4 below shows different record sources.



Exhibit 4: Different record sources for cemetery operations

Finding 8

Audit Services staff found:

Currently the Cemetery Division staff utilize hand marked maps to determine which grave sites are still available (See Exhibit 5 below).

Hand marking maps increases the risk of error, makes it difficult to identify graves for sale or for burial details needed for the opening and closing of graves. The maps that are maintained by the Cemetery Staff are old and outdated. Some of the information on the maps is reflected in NEXUS and on the cards.

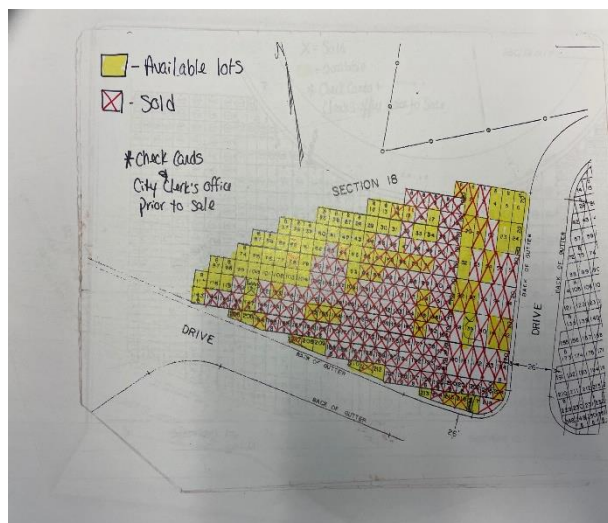


Exhibit 5: Hand marked plot map

However, the manual nature of updating the maps creates the risk that maps may not always be updated to reflect the most current and accurate information. Risk exists that plots could be sold twice. Per Cemetery staff duplicate sales have occurred in the past because the maps reflect availability that does not exist. Audit Services staff asked when the maps were last updated and Cemetery staff were unable to give a definitive answer on when the last update happened. In looking at the maps and the recent plots sold, it appeared that maps were not being updated.

Finding 9

Audit Services staff found:

General Services Department staff are in the initial stages of utilizing Plotbox Cemetery Management software for enhancing Cemetery operations.

The General Services Department staff have entered into a contract with Plotbox Inc. to obtain the Plotbox Cemetery Management software. Use of this software will streamline processes and facilitate better cemetery operations. The new system will help manage deeds, deceased records, plot inventory, contracts management, booking schedule, and accounting/financial reporting. In order for the GIS mapping feature to fully work, Cemetery Division staff need to finish inputting prior burials into the software database and review the data to ensure its accuracy. Based on the contract with Plotbox Inc. as it relates to migration of data, any existing inaccuracies in a client's data will continue to exist in Plotbox. Since information resides in different sources and information in all sources is not consistent, it is important that during the implementation process the Department focuses their efforts on verifying the data that is entered into Plotbox. In addition, records in the data hub (NEXUS) only go back as far as 2007 despite physical records dating as far back as the late 1800s. NEXUS will be used as the primary data source for conversion over to the new Plotbox system despite the physical records going as far back as the mid to late 1800s. The migration process will take a long time and the Department should ensure they have the necessary resources to perform this task. Inaccurate information imported into the new system will limit the efficiencies the City can gain from the new software.

Plotbox Cemetery Management software will help streamline processes and help with better records management. However, it is important that accurate information is imported into the new system.

Conclusion

At present, controls over cash receipts at the Cemetery are weak which creates an environment that presents an opportunity for fraud to occur. Lack of: segregation of duties, SOPs, management oversight and staffing all contribute to this weak control environment. In addition, record keeping practices need to be streamlined. Data resides in different sources and there are no set guidelines that specify which information should be collected and recorded in the different record documents/systems. Cemetery Division staff utilize hand marked maps to determine which grave sites are still available. The General Services Department staff have entered into a contract to use Plotbox Cemetery Management software. Use of this software will streamline processes and facilitate better cemetery operations and records management. However, inaccurate information imported into the new system will restrict the efficiencies the City can gain from the new software. Emphasis should be placed on a data verification process to ensure data entered into Plotbox is accurate.

Adequate processes exist to assign staff for burials and cemetery maintenance. Comprehensive draft standard operating procedures (SOPs) exist to help with coordination between the operations and administration staff. The SOPs need to be finalized.

Audit Services staff noted violations of some Cemetery Regulations.

Recommendations

Recommendation 1

The General Services Department should develop written standard operating procedures over the Cemetery collections process. In addition, the Department management should address the lack of segregation of duties by enhancing monitoring activities over cash collections. The monitoring activities could include: reconciliation of cash collected to cash deposited or performing a reasonableness test to determine if cash collected was deposited intact.

Value Added: Risk Reduction

Recommendation 2

The General Services Department should use pre-numbered sales agreements. In addition, the Department staff should evaluate the feasibility of using a check reader to process checks when they are received. They should also continue the practice of not accepting cash at the Cemetery locations.

Value Added: Risk Reduction

Recommendation 3

The General Services Department should fill the vacant position at the Cemetery Administration Office to help with the work load of the administration staff.

Value Added: Risk Reduction

Recommendation 4

The General Services Department staff should ensure that data imported into Plotbox is accurate. A sense of urgency exists that the verification process must be a primary focus of implementing Plotbox. All data must be transferred including data outside of the Nexus system. To effectuate an accurate transfer of data to the new Plotbox system, the verification process will be time-consuming. Due to current capacity constraints in the Cemetery Division, the Department should consider soliciting services of an external contractor to verify the accuracy of the data imported into Plotbox in a timely and efficient manner.

Value Added: Risk Reduction

Recommendation 5

The General Services Department staff should organize all paper data sources (cards, deeds, register books, etc.) and ensure they are filed in a secure and organized manner. Guidelines should be established to outline the information that should be captured across the different data sources. The Department should also research the possibility of retaining paper records online.

Value Added: Risk Reduction; Efficiency

Recommendation 6

The General Services Department should either enforce the Ordinance as is or revise the Ordinance to accommodate current practices. General Services staff should collaborate with the Fire Department to use the existing Drone technology to efficiently maintain the cemetery grounds per the Ordinance.

Value Added: Compliance; Efficiency

Recommendation 7

The General Services Department should finalize the standard operating procedures over Burial Site Preparation, Service Support, and Closure.

Value Added: Compliance

Recommendation 8

The General Services Department staff should review billing and collections processes for funeral home providers to ensure equitable treatment for all customers.

Value Added: Compliance

Value Added Legend



To learn more, visit our website at durhamNC.gov/audit

Management Response



Memo to: Dr. Germaine F. Brewington, Director of Audit Services
From: Jina Propst, General Services Director
Date: June 10, 2021
Subject: Management's Response to Recommendations
Cemetery Operations Performance Audit June
2021

The following is management's response to the Cemetery Operations Performance Audit dated June 2021.

Recommendation 1:

The General Services Department should develop written standard operating procedures over the Cemetery collections process. In addition, the Department management should address the lack of segregation of duties by enhancing monitoring activities over cash collections. The monitoring activities could include: reconciliation of cash collected to cash deposited or performing a reasonableness test to determine if cash collected was deposited intact.

Management's Response:

We concur. Management is in full agreement with the recommendation.

Implementation Date: December 2021

Recommendation 2:

The General Services Department should use pre-numbered sales agreements. In addition, the Department staff should evaluate the feasibility of using a check reader to process checks when they are received. They should also continue to not accept cash at the Cemetery locations.

Management's Response:

We concur. Management is in full agreement with the recommendation.

Implementation Date: December 2021

Recommendation 3:

The General Services Department should fill the vacant position at Cemetery Administration office to help with the work load of the administration staff.

Management's Response:

We concur. Management is in full agreement with the recommendation.

Implementation Date: July 2021

Recommendation 4:

The General Services Department staff should ensure that data imported into Plotbox is accurate. A sense of urgency exists that the verification process must be a primary focus of implementing Plotbox. All data must be transferred including data outside of the Nexus system. To effectuate an accurate transfer of data to the new Plotbox system, the verification process will be time-consuming. Due to current capacity constraints in the Cemetery Division, the Department should consider soliciting services of an external contractor to verify the accuracy of the data imported into Plotbox in a timely and efficient manner.

Management's Response:

We concur. Management is in full agreement with the recommendation.

Implementation Date: December 2022, Quarterly updates can be provided.

Recommendation 5:

The General Services Department staff should organize all paper data sources (cards, deeds, register books etc.) and ensure they are filed in a secure and organized manner. Guidelines should be established to outline the information that should be captured across the different data sources. The Department should also research the possibility of retaining paper records online.

Management's Response:

We concur. Management is in full agreement with the recommendation.

Implementation Date: December 2021

Recommendation 6:

The General Services Department should either enforce the Ordinance as is or revise the Ordinance to accommodate current practices. General Services staff should collaborate with the Fire Department to use the existing drone technology to efficiently maintain the cemetery grounds per the Ordinance.

Management's Response:

We concur. Management is in full agreement with the recommendation.

Implementation Date: June 2022

Recommendation 7:

The General Services Department should finalize the Standard Operating Procedures over Burial Site Preparation, Service Support, and Closure.

Management's Response:

We concur. Management is in full agreement with the recommendation.

Implementation Date: December 2021

Recommendation 8:

The General Services Department staff should review billing and collections processes for funeral home providers to ensure equitable treatment for all customers.

Management's Response:

We concur. Management is in full agreement with the recommendation.

Implementation Date: December 2021

Distribution of Report

Maticia Sims, CPA, CIA, CRMA

Chair, Resident Member

Maticia.Sims@bcbsnc.com

Nicolas Long

Vice-Chair, Resident Member

nlong@petermillar.com

Steve Schewel, Mayor

City Council Member

Steve.Schewel@DurhamNC.gov

Jillian Johnson, Mayor Pro-Tempore

City Council Member

Jillian.Johnson@DurhamNC.gov

Charlie Reece

Alternate

City Council Member

Charlie.Reece@DurhamNC.gov

Shanell Frazer

Resident Member

shnllfrazer@yahoo.com

Wanda Page, CPA, CIA

City Manager

Wanda.Page@DurhamNC.gov

Bo Ferguson

Deputy City Manager

Bo.Ferguson@DurhamNC.gov

Keith Chadwell

Deputy City Manager

Keith.Chadwell@DurhamNC.gov

Bertha Johnson

Interim Deputy City Manager

Bertha.Johnson@DurhamNC.gov

David Boyd, CPA, CFE, CGMA

Director, Finance

David.Boyd@DurhamNC.gov

Jina Propst

Director, General Services

Jina.Propst@DurhamNC.gov