



STATE OF ILLINOIS
**OFFICE OF THE
 AUDITOR GENERAL**

Frank J. Mautino, Auditor General

SUMMARY REPORT DIGEST

DEPARTMENT OF INNOVATION AND TECHNOLOGY
STATE OF ILLINOIS, ENTERPRISE RESOURCE PLANNING SYSTEM

System and Organization Control Report and Report
 Required Under *Government Auditing Standards*
 For the Year Ended June 30, 2020

Release Date: August 12, 2020

FINDINGS THIS AUDIT: 1	AGING SCHEDULE OF REPEATED FINDINGS						
	New	Repeat	Total	Repeated Since	Category 1	Category 2	Category 3
Category 1:	1	0	1	No Repeat Findings			
Category 2:	0	0	0				
Category 3:	0	0	0				
TOTAL	1	0	1				
FINDINGS LAST AUDIT: 0							

INTRODUCTION

This digest covers our System and Organization Control Report and Report Required Under *Government Auditing Standards* of the Department of Innovation and Technology (Department), State of Illinois, Enterprise Resource Planning System for the period from July 1, 2019 through June 30, 2020.

The Enterprise Resource Planning System is utilized by approximately 54 user agencies.

The System and Organization Control Report contained a modified opinion due to the weakness associated with the Department's operating effectiveness of controls. In addition, the Report Required Under *Government Auditing Standards* (GAS) contains one finding.

SYNOPSIS

- **(20-1)** The Department did not ensure its controls over the State of Illinois, Enterprise Resource Planning System operated effectively.

Category 1:	Findings that are material weaknesses in internal control and/or a qualification on compliance with State laws and regulations (material noncompliance).
Category 2:	Findings that are significant deficiencies in internal control and noncompliance with State laws and regulations.
Category 3:	Findings that have no internal control issues but are in noncompliance with State laws and regulations.

**FINDINGS, CONCLUSIONS, AND
RECOMMENDATIONS**

CONTROLS DID NOT OPERATE EFFECTIVELY

Controls did not operate effectively

The Department of Innovation and Technology (Department) did not ensure its controls over the State’s Enterprise Resource Planning (ERP) System operated effectively. The controls related to the control objectives are stated in the “Description of the State of Illinois, Enterprise Resource Planning System for the IT General Controls and Application Controls” (description of system), provided by the Department.

Population was not available to conduct tests of controls

As part of our testing to determine if the controls were operating effectively, we requested the Department to provide a population of modifications to employees’ and contractors’ access to the Department’s resources. The Department was unable to provide a population. As a result of the Department’s inability to provide the population, we were unable to conduct testing to determine if the controls related to logical access to applications, data, and the environment were restricted to authorized and appropriate users.

Additionally, during our testing of the controls related to the control objectives stated in the description of system, we noted specific controls which did not operate effectively. Specifically, we noted:

Human resource weaknesses

- Multiple instances where employees or contractors:
 - did not have evaluations completed within the defined timeline.
 - did not complete the Safeguard Disclosure training and Security Awareness training.
 - did not have a completed Remedy service request for terminated employees.

Application edits weakness

- One of 60 edits (tcodes) selected was to allow display access only; however, the tcode allowed update access.

Logical access provisioning and de-provisioning weaknesses

- The Department was unable to provide documentation demonstrating the timely termination of individuals’ access to the Department’s resources.
- New employee and contractor access requests were not submitted by an authorized Agency Technology Service Requester or Department IT Coordinator.
- A new employee did not have an access request submitted to obtain access to the Department’s resources.

As a result of the above noted exceptions, the controls were not operating effectively to provide reasonable assurance that the control objectives related to logical access to applications, data

and the environment was restricted to authorized and appropriate users. (Finding 1, pages 7-8 of GAS Report)

We recommended the Department ensure its controls operate effectively over the services provided to user agencies.

Department agreed with Service Auditors

Department officials accepted the recommendation.

DEPARTMENT SECRETARY

During Examination Period:
Ron Guerrier (2/18/20 – Current)
Ron Guerrier, Acting (7/1/19 – 2/17/20)

SERVICE AUDITOR'S OPINION

The System and Organization Control Report contained a modified opinion. Specifically, the Service Auditors determined, except for the matters described in the System and Organization Control Report, in all material respects, based on the criteria described in the State of Illinois, Department of Innovation and Technology's assertion:

- the description fairly presents the State of Illinois, Enterprise Resource Planning System that was designed and implemented throughout the period from July 1, 2019 to June 30, 2020.
- the controls related to the control objectives stated in the description were suitably designed to provide reasonable assurance that the control objectives would be achieved if the controls operated effectively throughout the period from July 1, 2019, to June 30, 2020; and subservice organizations and user entities applied complementary controls assumed in the design of the State of Illinois, Department of Innovation and Technology's control throughout the period July 1, 2019 to June 30, 2020.
- the controls operated effectively to provide reasonable assurance that the control objectives stated in the description were achieved throughout the period from July 1, 2019 to June 30, 2020 if complementary subservice organization and user entity controls assumed in the design of the State of Illinois, Department of Innovation and Technology's controls operated effectively throughout the period July 1, 2019 to June 30, 2020.

This System and Organization Examination was conducted by the Office of the Auditor General's staff.

SIGNED ORIGINAL ON FILE

JANE CLARK
Division Director

This report is transmitted in accordance with Section 3-14 of the Illinois State Auditing Act.

SIGNED ORIGINAL ON FILE

FRANK J. MAUTINO
Auditor General

FJM: MKL