



Bill Perrone, CIA
Internal Audit Manager

January 29, 2009

Assignment 10108

To: Distribution List

Subject: Internal Audit Report – Access to data in the Human Resource
Payroll System (HaRP)

We have completed an audit of data access in the HaRP system. HaRP is the County's system that processes human resources and payroll data. We conducted the audit from October to December 2008.

We thank the staff and management of the Controller-Treasurer's Fiscal Division and those in Employee Services Agency's Human Resources Division. Their assistance and cooperation contributed to the successful completion of this project.

Respectfully submitted,

Signature on file

Bill Perrone, CIA
Internal Audit Manager

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COUNTY OF SANTA CLARA

CONTROLLER-TREASURER DEPARTMENT - INTERNAL AUDIT DIVISION

INTERNAL AUDIT REPORT

Access to Data in Human Resource and Payroll System (HaRP)



Assignment 10108
January 29, 2009

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Executive Summary

Conclusion Based on the results of our testing, access to the data in the Human Resource Payroll System (HaRP) in the County was adequately controlled. There was an established process to set up access and manage changes including deactivation.

Policies and procedures were available and generally adequate. The Human Resources Division employee and the HaRP team member in the Fiscal Services Division demonstrated competency in the day-to-day operations of these procedures.

We noted several areas for improvements and made recommendations to strengthen internal controls and enhance operational efficiency. These were documenting the access role assignment, designating a contingency person, timely updating policies and procedures, streamlining the monitoring report, and redesigning role names. In some cases, remedial actions have begun.

During our fieldwork, the HaRP team added a missing procedure.

The HaRP team is in agreement with the findings and recommendations contained in this report. The Human Resources Division is in agreement with the findings and recommendations.

Audit Objectives The primary objective was to evaluate the controls of access to the data in the HaRP System.

Audit Scope The scope included:

- Policies and procedures of the process governing access to data
- Authorization, approval and processing of access requests
- Management of changes to access including deactivation
- Design and assignment of roles (access levels)
- Monitoring of violations and their resolutions

Audit Background We conducted the audit based on the results of our FY 07 Macro Risk Assessment. There has been no prior audit since the implementation of HaRP (PeopleSoft). We conducted our audit in accordance with the Professional Practices Framework established by the Institute of Internal Auditors.

Details about our findings and recommendations are provided below.

Signature on file

Bill Perrone, CIA
Internal Audit Manager

Findings and Recommendations

Finding 1 **ESA has not documented the assignment of access roles.**

Request for access to HaRP is first reviewed and approved by the requestor's supervisor and the department HaRP security coordinator. The approved request is processed by a Manager II, ACE in Employee Services Agency (ESA). This person is the only person in the County who has the authority and knowledge to assign the proper and appropriate role (level of access to data in the HaRP system) to a request. The assigned role is put on the request form and sent to the HaRP team for execution.

During the on site visit with this manager, using actual requests, she was able to describe and demonstrate the thought process of determining what role (level of access) should be assigned. However, there was no documentation of these steps, except a high level write up she prepared that day. This was not documented because of a lack of resources. She said it needs to be completed.

Documenting these steps is critical. It is a record of how the assignment of roles is performed. The roles determine how much access to the data in the HaRP system are granted.

Recommendation 1 ESA's Human Resources Division should detail steps in the determination and assignment of access roles procedures. The documentation should be kept current to reflect newly created roles, deleted roles and any changes that may result from a system upgrade. [Priority 2]

Finding 2 **ESA has not designated a back-up person for the assignment of access roles.**

There was no back-up person for this important and sensitive function. The previous back-up person retired in early 2008.

Without a trained back-up and the primary person is absent, it can result in processing delays, thus impairing the operations of requesting departments. From a risk and control perspective, it is prudent not to have a single point of failure. A back-up person is a contingency.

Recommendation 2 A qualified person within ESA should be officially designated and sufficiently trained as a back-up person for this critical function. [Priority 2]

Finding 3 **HaRP team has not consolidated policies and procedures into a central document.**

Policies, procedures, process flow, request form, security agreement, designation of security coordinators, sample notices and training material were located in different places. This can hinder retrieval, updates and ease of referencing.

Recommendation 3 HaRP should consolidate all policies and procedures into one document called HaRP Policy Manual and another one called HaRP Operating Procedures Manual. Each manual should have different sections for different topics. This will greatly enhance retrieval, updates and contribute to operational efficiency. Every time there is a need to review the documentation of the system, such as a system upgrade, all documents will be reviewed, reducing the possibility of omitting any document. [Priority 3]

Finding 4 **HaRP team has not streamlined the monitoring report.**

Z_PAY_651, the biweekly PeopleSoft report lists all personnel actions that occurred during the previous pay period. From this report, the HaRP team decides which HaRP accounts should be locked out i.e. the access to the HaRP system data stopped.

We found this report was adequate but it lists all personnel actions rather than only those that affect the access to data in HaRP, such as a job change, a transfer, or a leave of absence. Previously locked out accounts were repeated in subsequent reports. Consequently, the processor in the HaRP team had to go through every account listed in the report to filter out the valid ones, ignoring those already locked out. Only then could she proceed to deactivate the affected accounts. The HaRP team member stated that they are aware of the need for streamlining this report.

Recommendation 4 The HaRP team should redesign the Z_PAY_651 report to list only accounts that require action. Accounts already locked out should be excluded or suppressed from printing in this report. This will produce saving in time and cost for the HaRP team every pay period. [Priority 3]

Finding 5 **HaRP team should redesign the naming convention to include more information on access level.**

The role names currently in use are named from the time the system was implemented and evolved over the years. They are not constructed in such a way as to convey the hierarchy of access or relationship among them. A naming convention that indicates some access levels can yield insight into the relationship among different roles. Properly constructed naming convention can provide levels of access, organization ownership and other parameters, yielding useful statistics for management. This will bring efficiency to the HaRP team in administrating the access levels. Given the limitation on the size of the role name, using the Description field to convey the information is a good alternative.

Recommendation 5 The HaRP team should review the naming convention, using the Description field to convey useful information on the level of access. Given the experience and insight gained from years of actually using the system in the County, the review will be an opportunity to achieve standardization as well. [Priority 3]

Response from the Fiscal Services Division

From: Conrad, Steve
Sent: Monday, January 26, 2009 1:54 PM
To: Chan, Fred
Cc: Perrone, Bill; Nguyen, Annick; Owens, Renae; Ng, Peter
Subject: RE: Draft report, Access of data in HaRP system
Sensitivity: Confidential

Fred -

Thanks for the updated draft report.

The Fiscal Services Division is in agreement with the findings and recommendations contained in this report.

Recommendation One

Directed to ESA.

Recommendation Two

Directed to ESA.

Recommendation Three

HaRP should consolidate all policies and procedures into one document called HaRP Policy Manual and another one called HaRP Operating Procedures Manual.

Agree. Status: completed in January 2009.

Recommendation Four

The HaRP team should redesign the Z_PAY_651 report to list only accounts that require action.

Agree. Status: the request for modification of the custom report has been completed and submitted to the technical team. We expect that the report will be modified, tested and put in production no later than mid February 2009.

Recommendation Five

The HaRP team should review the naming convention, using the Description field to convey useful information on the level of access.

Agree. Status: the HARP Team will use the Description field to describe access levels.

Thank you for your patience and understanding during the audit. It was completed in a very professional manner.

Steve

Response from the Human Resources Division

From: Owens, Renae
Sent: Tuesday, January 27, 2009 5:53 PM
To: Chan, Fred
Cc: Perrone, Bill; Conrad, Steve; Ng, Peter
Subject: RE: Response to audit draft report, HaRP Access audit
Sensitivity: Confidential

Fred, in response to your request regarding recommendations 1&2, ESA agrees with the findings. We will implement necessary changes within 90 - 180 days.

We will agree to:

1. assign a back up for HaRP security access requests, to allow for proper handling of those requests in the absence of the primary Countywide Security Coordinator.
2. finalize the documentation process of creating/granting access roles to the PeopleSoft system based on valid business reason.

Please let me know if you have questions or need additional information.

Renae Owens
Employee Services Agency
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