

DETROIT PUBLIC SCHOOLS

Schedule of Findings and Questioned Costs

Year ended June 30, 2007

2007-37 IT General Controls – Physical Access to Data Center

Finding Type: Internal Control over Financial Reporting – Significant Deficiency

Fiscal Year: July 1, 2006 to June 30, 2007

Requirement

Control activities are the policies and procedures that help ensure management directives are carried out. They help ensure that necessary actions are taken to address risks to achievement of the entity's objectives. Control activities occur throughout the organization, at all levels and in all functions, including information technology (IT). They include a range of activities as diverse as approvals, authorizations, verifications, reconciliations, reviews of operating performance, security of assets, and segregation of duties.

Condition

During our testwork over controls over access to the data center, we noted that a formal process is not in place to periodically review users with access to the data center to ensure that their access rights remain in agreement with their current job responsibilities.

Possible Asserted Cause and Effect

Access to the data center could be inappropriately assigned, thereby increasing the risk of system compromise.

Recommendation

A process should be instituted for periodic review of users with access to the data center and any discrepancies should be addressed in a timely manner.

Views of Responsible Officials

We understand and agree with the noted observation and are working toward corrective actions.

Corrective Action Plan

Signature

Date