

DETROIT PUBLIC SCHOOLS

Schedule of Findings and Questioned Costs

Year ended June 30, 2007

2007-40 IT General Controls – Inappropriate Contractor Access to Systems

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 test work over IT access controls, we noted that a process is not in place to ensure that system access for District contractors that leave the organization is disabled and removed in a timely manner. We noted some of the UNIX user accounts belong to contractors who no longer work for DPS or do not require such access.

Possible Asserted Cause and Effect

Users having access that is not necessary increases the risk of system compromise.

Recommendation

A process should be put in place to ensure that system access is removed and/or disabled in a timely manner for all third party vendors that no longer need the access.

Views of Responsible Officials

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

Corrective Action Plan

Signature

Date