

**DETROIT PUBLIC SCHOOLS**

Schedule of Findings and Questioned Costs

Year ended June 30, 2007

**2007-41 IT General Controls – Direct Update Access to PeopleSoft**

**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 IT General Controls, we noted that one of the Oracle Database user accounts has update and modify access to critical PeopleSoft financials tables.

***Possible Asserted Cause and Effect***

Direct update access to critical PeopleSoft Financials database tables increases the risk of unauthorized (accidental or intentional) database changes. Additionally, direct database updates increase the risk of loss of database referential integrity.

***Recommendation***

We recommend that direct update access to PeopleSoft Financials database tables should be restricted.

***Views of Responsible Officials***

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

***Corrective Action Plan***

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*Signature*

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*Date*