

DETROIT PUBLIC SCHOOLS

Schedule of Findings and Questioned Costs

Year ended June 30, 2007

2007-44 IT General Controls – Production Job Errors Tracking

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 there is no procedure to ascertain that all production problems and/or job errors are resolved in a timely manner and tracked to completion.

Possible Asserted Cause and Effect

Absence of tracking of production job errors to resolution may result in delayed response increasing the risk of system downtime and business operations disruption.

Recommendation

We recommend that all production errors and incidents be tracked to completion to ensure timely resolution.

Views of Responsible Officials

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

Corrective Action Plan

Signature

Date