



Commonwealth of Massachusetts

Management Letter

June 30, 2014



KPMG LLP
Two Financial Center
60 South Street
Boston, MA 02111

December 23, 2014

The Comptroller's Advisory Board
Commonwealth of Massachusetts
Boston, Massachusetts

Advisory Board Members:

We have audited the basic financial statements of the Commonwealth of Massachusetts (the Commonwealth) as of and for the year ended June 30, 2014, and have issued our report thereon dated December 23, 2014. In planning and performing our audit of the basic financial statements of the Commonwealth, in accordance with auditing standards generally accepted in the United States of America, we considered the Commonwealth's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinions on the basic financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Commonwealth's internal control. Accordingly, we do not express an opinion on the effectiveness of the Commonwealth's internal control.

During our audit, we noted certain matters involving internal control and other operational matters that are presented for your consideration. These comments and recommendations, all of which have been discussed with the appropriate members of management, are intended to improve internal control or result in other operating efficiencies and are summarized on the attached schedule of observations.

The Commonwealth's written responses to our comments and recommendations have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

In addition, we identified certain deficiencies in internal control that we consider to be a material weakness and others that we consider to be significant deficiencies, and in accordance with *Government Auditing Standards* communicated them in writing to the Commonwealth in a separate report dated December 23, 2014.

Our audit procedures are designed primarily to enable us to form opinions on the basic financial statements, and therefore may not bring to light all weaknesses in policies or procedures that may exist. We aim, however, to use our knowledge of the Commonwealth's organization gained during our work to make comments and suggestions that we hope will be useful to you.

We would be pleased to discuss these comments and recommendations with you at any time.

This communication is intended solely for the information and use of management of the Commonwealth, and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

KPMG LLP

Commonwealth of Massachusetts

Schedule of Observations

June 30, 2014

MLC 2014-01

Department of Revenue (DOR) – Timing of Preparation and Review of Bank Reconciliations

Observation

The Department of Revenue's (DOR) Revenue and Accounting Policies and Procedures manual requires that bank reconciliations be performed by the 20th day of the following month. DOR has an unwritten exception to this policy for the June reconciliations which are to be performed within 20 days after the final "blue book." While DOR's policies and procedures manual does not address what constitutes the "timely" review of prepared bank reconciliations, it is a generally accepted practice at DOR that such reviews should be performed within 30 days of month end or in the case of the June reconciliations, within 30 days of the final "blue book."

During our audit, we reviewed five (5) separate bank reconciliations for the months of December and June and noted the following:

- For the December reconciliations, we noted that four (4) reconciliations were not timely prepared or reviewed. The latest prepared reconciliation was dated March 25th and the latest reviewed reconciliation was dated May 13th.
- For the June reconciliations, we noted that one (1) reconciliation was not prepared or reviewed timely. The reconciliation was prepared and reviewed on September 17th.

Recommendation

We recommend that DOR adhere to its existing policies and procedures regarding the timely completion of its bank reconciliations. We also recommend that DOR consider updating its policies and procedures to reflect its guidelines on the June reconciliations, as well as what constitutes a timely review of prepared reconciliations.

Management's Corrective Action Plan

All bank accounts are monitored on a timely basis, either daily or weekly to prevent or detect irregularities and ensure all summary transactions are posted timely in DOR's Tax Administration System (MassTax).

DOR agrees with the significance of timely bank reconciliations and will reemphasize the need to adhere to existing related policies and procedures. DOR will update its policies and procedures to reflect its guidelines on the June reconciliations, as well as what constitutes a timely review of prepared reconciliations.

Timely completion of bank reconciliations will now be defined as "reconciliations should be performed within 30 days of month end or in the case of June reconciliations, within 30 days of the final "blue book." A review of completed reconciliations should be completed within 10 days of the reconciler's completion date.

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Responsible Officials

Paul Naves, CFO

William Conroy, Director of Revenue Accounting

Richard Moore, Assistant Director of Revenue Accounting

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June 30, 2014

MLC 2014-02

Department of Revenue (DOR) – Allowance for uncollectible accounts

Observation

During the audit, we reviewed the department's methodology and related documentation to support its allowance for uncollectible accounts and noted the following:

- Rather than being a multi-year analysis of collection activity, write-off and recovery patterns, days outstanding and/or other key indicators of collection activity to support its allowance methodology, the Department of Revenue (DOR) derives its allowance percentages from two sources, the DTAX Collectibility Report and the Collections Department Reports. DOR takes an average of these two methodologies to estimate its allowance for uncollectible accounts.
- These models rely on prior year as well as current year data to estimate future activity but do not consider the effect of one-time events/ anomalies (e.g. large legal settlements which occurred during fiscal year 2014) in forecasting expected future results.
- The allowance is calculated for the taxes receivable balance in total and does not take into consideration different collection rates for different tax types.

Recommendation

We recommend that the department annually update its methodology based upon a look back of its actual collection experience. The look back period should be established by management and should include sufficient history to accurately estimate the net realizable value of its receivables at year-end. In addition, we recommend that the department adjust its methodology for any current year known anomalies so that future year projections of the allowance for uncollectible accounts is not adversely impacted by one-time events/ anomalies.

Management's Corrective Action Plan

The Department will annually update its methodology based upon a look back of its actual collection experience and include sufficient history to more accurately estimate its allowance for uncollectible accounts. DOR will also scrutinize and adjust for potential current year and future year anomalies in the calculation of our allowance for uncollectible and deferred revenue.

Responsible Officials

Paul Naves, CFO
William Conroy, Director of Revenue Accounting
Richard Moore, Assistant Director of Revenue Accounting

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MLC 2014-03

Office of the Treasurer (TRE) – Timeliness of “White Paper” Documentation

Observation

In the past, the Commonwealth has entered into a series complex derivative transactions as part of its overall strategy to manage its outstanding debt. From time to time, the initial transactions are modified, for example when the underlying debt is refunded or a counterparty is replaced. All these transactions require careful consideration of specialized accounting rules to properly reflect such activity in accordance with generally accepted accounting principles (GAAP) as promulgated by the Governmental Accounting Standards Board (GASB).

The Treasurer’s Office has maintained a “white paper” for several years that documents its interpretation of GASB statement No. 53, *Accounting and Financial Reporting of Derivative Instruments* and whether the Commonwealth has properly applied or deviated from the prescribed accounting treatment. In those situations where the Commonwealth elects to deviate from the prescribed accounting treatment, the white paper annually quantifies the difference in the elected versus the prescribed treatment. Since the development of the initial white paper, GASB Statement No. 64, *Derivative Instruments: Application of Hedge Accounting Termination Provisions* has been issued which amended Statement No. 53 and provides additional guidance on terminations and “novations.”

The fiscal 2014 white paper was not updated and finalized until December 2014.

Recommendation

We recommend that the Treasurer’s Office, in consultation with the Comptroller’s Office, continue to annually update its derivative white paper with the goal of completing that annual update by September 30th of the year if not sooner.

Management’s Corrective Action Plan

In order to accelerate the audit process with regard to Treasury’s Debt Management Department, and in turn the GASB 53 and GASB 64 analyses, with the accompanying white paper, the confirmation process of verifying derivative transactions with derivative counterparties should begin no later than July 15th following the close date of the previous fiscal year of June 30th. The confirmation process should ordinarily take no longer than 30 days, which would allow the GASB 53 and GASB 64 analyses to begin in mid-August of each year with a projected completion date of September 30.

Responsible Officials

Assistant Treasurer, Debt Management
Controller, Debt Management

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MLC 2014-04

Office of the Treasurer (TRE) – Reconciliation of debt systems

Observation

The Treasurer's Office manages its debt activity using two independent systems, Corporate Universe and DBC Debt Manager (DBC). In addition, independent of the Treasurer's Office, the Comptroller's Office maintains its own records of debt activity using a separate DBC system. On a monthly basis, there is a three-way reconciliation performed between Treasury and the Comptroller. However, this reconciliation is not reviewed by someone other than the preparers.

Recommendation

We recommend that the debt reconciliation between Treasury and Comptroller be expanded to include an independent review by a member of management other than the preparers. We also recommend that consideration be given to establishing tolerance levels and escalation protocols for any reconciling items deemed significant by management.

Management's Corrective Action Plan

Going forward, the reconciliation process between Treasury's Debt Management Department and the Office of the Comptroller will occur mid-month every month. Each reconciliation will be documented via a memorandum and saved to an audit file.

The reconciliation will be reviewed by the Assistant Treasurer for Debt Management and the Deputy Comptroller, and will be documented as such. All reconciliations and documentation will be stored in Debt Management's shared drive.

Treasury's Debt Management Department and the Office of the Comptroller will meet no later than February 18, 2015 to discuss variance tolerance levels and escalation protocols, which will be memorialized in a memorandum of understanding between the offices.

Responsible Officials

Assistant Treasurer, Debt Management
Controller, Debt Management

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MLC 2014-05

Massachusetts Teachers' Retirement System (MTRS) – Census Data

Observation

The Massachusetts Teachers' Retirement Board (MTRB) is responsible for maintaining member census information for all active employees who contribute to and participate in the Massachusetts Teachers' Retirement System (MTRS). Significant elements of census data include: date of birth; date of hire or years of service; eligible compensation; and gender among other elements. Effective management of the census data for active employees include procedures to verify the underlying payroll records of the participating employers to determine that the information provided is complete and accurate as this census information is also utilized by the Public Employees Retirement Administration Commission (PERAC) to calculate a projected pension liability, a significant accounting estimate that is part of the financial reporting process.

During fiscal 2014, based on updated and revised audit procedures promulgated by the American Institute of Certified Public Accountants (AICPA), we expanded our census data testing for active employees, subjecting 34 (out of a total population of over 400) participating employers' census data to detail testing which also included comparing such information to the census file used by PERAC.

The results of our testwork indicated a few (less than 20) data quality issues such as incorrect date of birth, gender, and/or eligibility which is not unusual for a plan with almost 89 thousand active members. However, we also noted a number of anomalies or data mismatches specifically with years of service and reported compensation. While MTRB management is in the process of adjudicating many of these anomalies, initial results indicate that the conversion rate of an anomaly to a known error is infrequent and not material to the overall MTRS financial results.

Recommendation

We understand that MTRB has been actively updating its IT systems and controls to continually improve the quality of its census information. We recommend that MTRB consider including a payroll audit function, either as an internal or outsourced resource, as part of its overall internal control strategy. A payroll audit function should include a risk based approach to determine which participating employers' payroll records require greater oversight and review.

Management's Corrective Action Plan

MTRS has updated its IT systems and controls and continues to improve the quality of the census information for 422 employers. In our new pension management information system (called MyTRS), monthly payroll deduction reports are imported into the system by employers and the data is analyzed through a series of data validations designed to detect and eliminate financial data discrepancies before each monthly report is accepted into the MyTRS system. In addition to the monthly reporting validation process, employers use MyTRS to register their newly hired educators who meet the eligibility requirements of the system. MyTRS validates that new hires appear on the monthly deduction reports submitted by the districts. MTRS service representatives are also in frequent contact with the payroll officers at the school districts to ensure the data is accurate.

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The MTRS provides an annual statement to members regarding their pension account balance, as well as, member demographic data including: date of birth, gender and marital status. Members are asked to validate the information provided on their statement and report any updates and/or discrepancies. MTRS is in the process of providing on-line access to all members in order to view their pension accounts. Currently, over 16,000 active members have access to their information on-line.

In addition to the census data audits that are scheduled on a rotational basis as outlined by the AICPA, the MTRS will also consider including a payroll audit function, either internal or outsourced, as part of the MTRS internal control strategy after conducting a cost benefit analysis. If approved, the audits shall be selected using a risk based approach as outlined by the AICPA.

Responsible Officials

Erika Glaster, Executive Director

Sean Neilon, Assistant Executive Director

Marybeth Shaughnessy-Newell, Director of Compliance and Financial Reporting

Robert George, Director of Employer Services

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MLC 2014-06

Massachusetts State Employees' Retirement System (MSERS) – Census Data

Observation

The Massachusetts State Retirement Board (MSRB) is responsible for maintaining member census information for all active employees who contribute to and participate in the Massachusetts State Employees' Retirement System (MSERS). As of January 1, 2014 there were approximately 88,000 active members in the MSERS. Significant elements of census data include: date of birth; date of hire or years of service; eligible ("regular") compensation; and gender among other elements. Effective management of the census data for active employees include procedures to verify the underlying payroll records of the participating employers to determine that the information provided to the MSERS is complete and accurate as this census information is also utilized by the Public Employees Retirement Administration Commission (PERAC) to calculate a projected pension liability, a significant accounting estimate that is part of the financial reporting process.

During fiscal 2014, based on updated and revised audit procedures promulgated by the American Institute of Certified Public Accountants (AICPA), we expanded our census data testing for active employees, subjecting not only the Commonwealth but also three state universities, one community college and one of its component units to detail testing which also included comparing such information to the census file used by PERAC.

The results of our testwork indicated a few (less than 25) data quality issues such as incorrect date of birth and/or anomalies or data mismatches with years of service and reported compensation. While MSRB actively addresses these and all such anomalies during the course of its operations, initial results indicate that the conversion rate of an anomaly to a known error is infrequent and not material to the overall MSERS financial results.

Recommendation

We understand that MSRB has been actively updating its IT systems and controls to continually improve the quality of its census information. We recommend that MSRB consider including a payroll audit function, either as an internal or outsourced resource, as part of its overall internal control strategy. A payroll audit function should include a risk based approach to determine which participating employers' payroll records require greater oversight and review.

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Management's Corrective Action Plan

MARIS, the software that will replace MSRB's legacy system, will house data related to members, retirees and beneficiaries of the MSRB. With the increased functionality of MARIS, the MSRB has reorganized and re-configured staff operational duties in all areas. Two areas relevant to this discussion that are being enhanced are the MSRB's Employer & Board Reporting ("E&BR") Unit and its Finance Unit. Once MARIS goes live, E&BR staff will have the capability for added areas of responsibility which will include quality assurance of member data being submitted by participating agencies. Similarly, the MSRB's Finance Unit will have increased audit responsibilities due to the software upgrades related to its operational area.

Separately, the MSRB is a division of the Office of the Treasurer and Receiver General ("Treasury"), where the central audit function is housed. Including a payroll audit function at the MSRB will require discussions with the Treasury's senior management as to whether supplemental audit resources for the Treasury would be beneficial, or whether the MSRB, due to its mission, should incorporate its own in-house audit function.

Responsible Official

Nicola Favorito, Executive Director, Massachusetts State Board of Retirement

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MLC 2014-07

Department of Workforce Development (DWD/EOL) - Financial Reporting: Allowance for Doubtful Accounts

Observation

During our audit, we reviewed the department's methodology and related documentation to support its estimate of uncollectible receivables and noted the following:

- Rather than being a robust multi-year analysis of collection activity, write-off and recovery patterns, days outstanding and/or other key indicators of collection activity to support its allowance methodology, the department's formula for recording an allowance relies more on static statutory guidelines.
- Due to a programming error, one out of 25 (Employer) selections appeared in the incorrect aging category, which is a key input into the allowance calculation.
- The allowance for uncollectible amounts (Non-Employer) contained multiple mathematical inaccuracies.

Recommendation

We recommend that the department annually update its methodology based upon a look back of its actual collection experience. The look back period should be established by management and should include sufficient history to accurately estimate the net realizable value of its receivables at year-end. In addition, the final allowance calculation should be formally reviewed by senior management to ensure its accuracy and preparation in accordance with department guidelines.

Management's Corrective Action Plan

The future balances in the allowance for doubtful accounts will be determined based on historical data and focus on the relationship of receivables billed and amount actually collected. Beginning with SFY15 the allowance for doubtful accounts will be based on the percentage of collections for the past 4 years. This new computation method will be an enhancement to the existing calculation, because unlike the current method, the percentages will be based on actual data and not estimates.

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Responsible Officials

Jack Defina
Financial Services Director
Executive Office of Labor and Workforce Development

Robert Ford
Chief Financial Officer
Executive Office of Labor and Workforce Development

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MLC 2014-08

Department of Workforce Development (DWD/EOL) - Employer Assessments

Observation

When an employer fails to file wage information for a given quarter, the department will issue an assessment based on the highest wage quarter reported. These assessments include an amount due to the department. The department does not consider these assessments to be official bills, but instead more akin to a dunning notice or a reminder for employers to file their wage information so that a more accurate bill can be issued. The department does not include assessments in its accounts receivable population.

Recommendation

If the department continues to require an amount due with each assessment, then we recommend that the department reflect the amount due on its books and records. The department can record any adjustments to net realizable value either with subsequent journal entries or through an allowance for doubtful accounts provision. If the department prefers not to record the initial assessment, then it should treat the initial assessment notification as a pure dunning notice and not reflect an amount due with the initial notice.

Management's Corrective Action Plan

The EOLWD financial team has initiated a full review of the current process for recording employer's assessment and their effect on financial documents (GAAP) as receivables. EOLWD's assessment review will include analysis of the following areas and any related matters:

- How are the assessments calculated?
- Are assessment charges currently handled on the books correctly?
- Based on historical data, what percentages of assessments are converted to certified receivables?
- Based on historical data what percentages of assessments are paid in full without the employer actually certifying the amount paid?
- What is the process for determining when assessments are considered uncollectable and how are they removed from the books?
- Are all fines and penalties related to assessments recorded correctly? Should they be considered receivables?
- What percentages of assessments are collected, regardless of whether they have been certified or not?
- Can the existing employer notifications be changed to accurately reflect what is a receivable versus what is consider a dunning notice?
- This review will be completed by the end of March 2015. If changes are recommended they will be implemented by May 2015.

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Responsible Officials

Jack Defina
Financial Services Director
Executive Office of Labor and Workforce Development

Robert Ford
Chief Financial Officer
Executive Office of Labor and Workforce Development

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MLC 2014-09

Group Insurance Commission (GIC) – Service Organization Controls Report

Observation

The Group Insurance Commission (GIC) utilizes six insurance companies providing health plan administration services. GIC relies on insurance companies for claim receipt and entry, claim adjudication, and claim payment and customer funding. The insurance companies' controls are reviewed annually by a third-party which provides a service organization control (SOC) report detailing the status of controls and whether they are operating effectively. For one insurance company, no SOC report was provided covering fiscal year 2014.

Recommendation

We recommend that the GIC require that all its health plan administrators provide appropriate confirmation, in the form of a SOC report or bridge letter, regarding the status of its control environment for the full fiscal year.

Management's Corrective Action Plan

The GIC requires that all insurance companies' provide a service organization control (SOC) report detailing the status of controls and whether they are operating effectively. Our recent contract with Beacon Health requires an annual SOC report for the twelve month period, July 1, 20xx through June 30, 20xx. We are working with and carefully monitoring Beacon Health to insure they are compliant with the terms and conditions of their contract with the GIC. We have clearly stated to Beacon Health that a SOC report must be submitted to the GIC for the fiscal years 2015 or they will be fined or the contract may be terminated.

The Statement on Standards for Attestation Engagements (SSAE) No. 16 report must be received by the Group Insurance Commission (GIC) annually, no later than three months from the reports' end date, October 1, 20xx. The report must cover a twelve month period starting July 1, 20xx.

Responsible Official

Ennio Manto, Director of Finance

Commonwealth of Massachusetts

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MLC 2014-10

MMIS – Disaster Recovery Testing

Observation

It was noted that the annual Disaster Recovery (DR) test for the MMIS application was not performed during FY 2014.

There is a potential risk that data may not be fully recovered from the back-up media in the event of a disaster/emergency without having a Disaster Recover test performed on a periodic basis to test the usability and integrity of the backup media.

Recommendation

Disaster Recovery tests should be performed on periodic basis to ensure that the data can be successfully recovered from back-up media in the event of a disaster/emergency.

Management's Corrective Action Plan

Disaster Recovery Testing of the MMIS application was not performed due to time and resource constraints. Three key projects (HIX, HIE and AIMS) were deemed a higher priority.

Our CAP is to perform this DR testing in the near term, and to perform regular DR testing as a component of the technical refresh of MMIS in 2015.

Responsible Official

Brian Chase, Director, IT Controls & Quality Assurance, Acting Chief Information Security Officer

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MLC 2014-11

Department of Workforce Development (DWD/EOL) – UI Online Server Privileged Accounts

Observation

There are 43 servers in use that support the operation of the UI Online application. A review of local server administrator accounts identified 66 single accounts and domain groups with privileged access (each domain group has a number of individual accounts each with administrator access). While a number of these accounts are system level accounts, there was also a significant number of user accounts assigned to employees, some of which may belong to members of other Commonwealth IT departments.

Recommendation

It is recommended that:

- Current administrator access to the UI Online servers be reviewed by the system owner and the number of individual or groups with privileged access be restricted to those deemed necessary to support the environment.
- The IT system owner conduct periodic access reviews of users with administrator access to ensure that privileged access is limited to only those necessary to adequately support the UI Online system.

Management's Corrective Action Plan

EOLWD IT will review the current users/access and make recommendations to remove those that do not need access. The team shall further implement a bi-annual review process to determine access requirements.

Responsible Official

Michael Milligan
Secretariat Chief Information Officer
Executive Office of Labor and Workforce Development

Commonwealth of Massachusetts

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MLC 2014-12

Department of Workforce Development (DWD/EOL) – UI Online Production Monitoring

Observation

During our review we inspected seventy three failed or terminated UI Online production jobs identified by the Computer Operations team. Follow-up actions taken (if any) for sixty eight of the failed jobs noted were unclear, due to the absence of descriptions of actions taken. Our review also noted that not all failed or aborted jobs appear to be identified, documented and consequently followed up.

Recommendation

It is recommended that:

- a daily review of prior job schedule be conducted to identify all job failures and jobs not run.
- for all failed or jobs not run, a clear follow-up activity should be identified and documented. Follow-up activities could include ‘no further action’, job re-run details, or raising a Test Director or iSupport ticket to document further research required.

Management’s Corrective Action Plan

EOLWD-IT will implement a review meeting that will take place on Monday, Wednesday, and Fridays. This job production meeting will review prior night’s BATCH job processing and begin to track and document jobs which have failed. In addition, EOLWD-IT will implement a tracking system to record initial failures and subsequent actions.

Responsible Official

Michael Milligan
Secretariat Chief Information Officer
Executive Office of Labor and Workforce Development

Commonwealth of Massachusetts

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MLC 2014-13

Department of Workforce Development (DWD/EOL) – UI Online Infrastructure Changes

Observation

Because of the way they are documented in the ticketing system, we could not identify a complete population of UI Online infrastructure changes. Infrastructure changes include installation of new or replacement hardware, upgrades to operating systems and the application of security patches. From the limited population identified, four of eight infrastructure changes examined did not receive Computer Advisory Board (CAB) approval on the iSupport ticket which is a requirement of the change management policy.

Recommendation

It is suggested that:

- Non-emergency infrastructure change tickets be raised in iSupport and identified as infrastructure and be required to have CAB approval before installation.
- Emergency infrastructure changes that may have to forego pre-approval by CAB should be documented in an iSupport ticket within one week of action and may be appropriately authorized after the fact.

Management's Corrective Action Plan

EOLWD IT has made an extensive effort in the past year to address the way in which Change Orders are coded within iSupport. A complete review of change tickets was made which pointed to the need for a new categorization schema for iSupport. An iSupport upgrade project is underway during which the categorization table will be replaced, allowing us to streamline and normalize the many choices that make proper reporting impossible. A Change Control Workshop was held to educate the IT staff in the importance of Change Control and its principles. UI Online Production server changes have received heightened awareness in Change Advisory Board (CAB) in the past year.

The process documented in the Change Control Process for Production System Change Approval manual, provides Proof of Change Advisory Board approval as identified by "Approvals", in the drop down menu housed in the Change Control module.

Responsible Officials

Michael Milligan
Secretariat Chief Information Officer

Commonwealth of Massachusetts

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MLC 2014-14

Office of the Comptroller (CTR) – Foundation Report Completeness and Accuracy

Observation

The trial balance report lists all account balances from the input ledger and the journal. The NFR106W is a data warehouse report. We obtained journal data from the NewMMARS system for a selection of 26 (25 Active and 1 Non-Active) funds and compared it to the NFR106W report. The Commonwealth's IT team constructed summary queries for the 26 selected funds. These SQL queries were executed on the MMARS production environment by the Commonwealth's IT team to provide us with results from the MMARS system for comparison and reconciliation to the NFR106W report data. We compared NewMMARS data for the selected 26 funds and compared it to the NFR106W report data.

We noted eight instances where the NewMMARS data did not agree to the NFR106W report data. This affected 4 of the 26 funds selected.

Recommendation

The Foundation report should be appropriately configured by the Commonwealth to ensure that the report completely and accurately reflects fund data from the MMARS system.

Management's Corrective Action Plan

The Financial Reporting and Analysis Bureau (FRAB) have logged incident reports (RTCs) with our Enterprise System Service (ESS) Bureau, which have been provided to KPMG during their field work. These are known issues which ESS is currently tracking and working to resolve.

Responsible Officials

BJ Trivedi, Financial Reporting Director
Michael Rodino, Financial Reporting Manager