



New Jersey Legislature
★ Office of LEGISLATIVE SERVICES ★
OFFICE OF THE STATE AUDITOR

EXECUTIVE SUMMARY

DEPARTMENT OF THE TREASURY, OFFICE OF MANAGEMENT AND BUDGET NEW JERSEY COMPREHENSIVE FINANCIAL SYSTEM (NJCFIS) APPLICATION July 1, 2020 to February 28, 2022

Overall, we found that the Department of the Treasury, Office of Management and Budget (OMB) has general and application controls in place in the NJCFIS that are appropriate and working properly to ensure the confidentiality, integrity, and availability of the application and its data. However, we noted areas for improvement in controls and processes in the areas of logical access, change control, and disaster recovery that merit management's attention.

AUDIT HIGHLIGHTS

- We found 294 active NJCFIS user accounts associated with individuals who have separated from state service and found 1 still had access to the mainframe environment. The NJ Statewide Information Security Manual requires that access be revoked immediately for any separated users. We tested the underlying mainframe accounts for 65 of the remaining 293 users and found that 62 had their mainframe account suspended more than 30 days after separation, with an average of 116 days between separation and suspension.
- The NJCFIS uses model accounts to provide access for temporary employees. We found 20 active NJCFIS model accounts older than six months that had processed transactions. We requested proof of the required six-month extension from the OMB and found that 12 of them did not have proof of an approved extension.
- We found 31 non-Treasury NJCFIS users who could both enter a transaction, and approve all levels of that same transaction, which could allow the user the ability to control the entire transaction without outside intervention, a segregation of duties issue. We analyzed the 14 users who could perform this for fiscal and/or accounting transactions and found 671 transactions totaling \$964,159 between July 1, 2020 and December 31, 2021. Our review of the transactions did not indicate improper activity.
- We reviewed all nine of the changes to the NJCFIS during the fiscal year 2021 period and found none contained a verifiable approval signature, with eight also lacking any supplemental approval documentation. Although all changes were proper, the ability exists for necessary signatures to be bypassed unless controls are strengthened.

AUDITEE RESPONSE

The department generally concurs with our findings and recommendations.

For the complete audit report or to print this Executive Summary, click on the attached files.