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Follow-up Audit – Employment Insurance Segregation of Duties

November 2007

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Follow-up Audit – Employment Insurance Segregation of Duties

Project Number: 06606/06-07

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November 2007

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EXECUTIVE SUMMARY

Employment Insurance (EI) is one of the major services delivered by Service Canada. Entitlement to EI benefits represents the major activity of the EI services. In 2006-07, 2.7 million applications for EI were received in more than 100 processing sites across the country. Nearly 4,500 employees are involved in the delivery of this activity at the national, regional and local centres, essentially the Service Canada Centres and Telecentres. More than \$12 billion of EI benefits are processed through the Support System for Agents each year.

The Support System for Agents is a computer-based system operating on a Local Area Network within Service Canada Centres to gather, edit and assess information relating to initial applications for benefits, applications for renewal of a claim for benefits, or for the revision of claims due to subsequent information and recalculation. This system is used by all EI employees across Canada and is not available to the public (EI claimants).

The *2004 Audit of Management of Personal Information* and the *2003 Audit of Entitlement to Employment Insurance Benefits* reports identified weaknesses in the EI segregation of duties and in ensuring access only to appropriate information.

Segregation of duties means having more than one person required to complete a task or a function. It is also defined as a key operational control to ensure that one individual does not participate in all operational functions¹. Segregation of duties is an important preventive control in many business processes. It is used to ensure that errors or irregularities are prevented or detected on a timely basis by employees in the normal course of business. In addition, because collusion of two or more persons is required, the likelihood of being caught in engaging in irregular activities is increased. Segregation of duties, therefore, lowers risk to the organization.

In response to these audit observations, the EI Branch of Human Resources and Skills Development Canada developed a Management Action Plan in 2003-04 which clearly addressed each finding and proposed a date of completion. Since then, Service Canada was created in September 2005 and the Operations Branch became responsible for EI, Canada Pension Plan/Old Age Security and the call centres. This follow-up audit reviewed and evaluated corrective measures made by Human Resources and Skills Development Canada and Service Canada's Operations Branch in relation to these findings.

Although 97% of the claim applications are inputted by the applicant/claimant via the internet and 95% overall are registered automatically, segregation of duties is not currently fully realized for the remaining 5% of claims. This represents approximately 135,000 files out of 2.7 million.

¹ Definition of the Information System Audit and Control Association.

It is important to note that this audit only focussed on the 5% remaining files and that we did not observe any incidences of internal fraud during the conduct of this audit.

This follow-up audit was approved in the 2006-07 internal audit plan and falls under two of Service Canada's strategic objectives: deliver seamless citizen-centered service and enhance the integrity of programs.

Fieldwork for this audit was undertaken in the fall of 2006 and was conducted in the Quebec and Ontario regions and at National Headquarters.

Audit Conclusion:

The Operations Branch has made substantial progress in moving away from the universal agent concept to implement segregation of duties and other management controls, such as monitoring and information for staff.

Nevertheless, control weaknesses remain with respect to segregation of duties and access only to appropriate information in Employment Insurance claim processing. Monitoring of activities and accesses is in place but also has weaknesses. Best practice and the importance of assuring our clients and the public of cost-effective due diligence require that these findings are addressed.

Main Findings

- Twenty-four job profiles² were implemented for the Support System for Agents, but ten still require further segregation of duties
- the Support System for Agents requires additional controls to ensure all users are assigned the appropriate job profile and only necessary personal information can be accessed by those who require it and
- enhancement of the monitoring of activities and access of users is required.

The Management Action Plan to address this audit's recommendations is contained in Appendix A.

² Job profiles refer to the linkage between functions and duties of employees, and the access they should have to personal information and authorized screens within a system, such as the Support System for Agents, to fulfill their functions and duties.

Statement of Assurance

In our professional judgment, sufficient and appropriate audit procedures have been conducted and evidence gathered to support the accuracy of the conclusions reached and contained in this report. The conclusions were based on observations and analyses of the situations as they existed at the time against the audit criteria. The conclusions are only applicable for the Employment Insurance Program.

This internal audit was conducted in accordance with the Treasury Board Policy on Internal Audit and the Institute of Internal Auditors Standards for the Professional Practice of Internal Auditing.

1.0 BACKGROUND

Employment Insurance (EI) is one of the major services delivered by Service Canada. Entitlement to EI benefits represents the major activity of the EI services. In 2006-07, 2.7 million applications for EI were received in more than 100 processing sites across the country. Nearly 4,500 employees are involved in the delivery of this activity at the national, regional and local centres, essentially the Service Canada Centres and Telecentres.

EI benefits are processed through the Support System for Agents, which is a computer-based system operating on the Local Area Network in Service Canada Centres. It is used to gather, edit and assess information relating to initial applications for benefits, applications for renewal of a claim for benefits, or a revision of claims due to subsequent information and recalculation. More than \$12 billion of EI benefits are processed through the Support System for Agents each year.

Segregation of duties means having more than one person required to complete a task or a function. It is also defined as a key operational control to ensure that one individual does not participate in all operational functions³. Segregation of duties is an important preventive control in many business processes. It is used to ensure that errors or irregularities are prevented or detected on a timely basis by employees in the normal course of business. In addition, because collusion of two or more persons is required, the likelihood of being caught in engaging in irregular activities is increased. Segregation of duties, therefore, lowers risk to the organization.

A complementary control to segregation of duties is monitoring. Segregation of duties lowers but does not eliminate the risk of irregular activities. Monitoring is a detective control that increases the likelihood of identifying such activities, so potential perpetrators have less incentive to engage in them. Monitoring becomes a compensatory control in the absence of perfect segregation of duties.

In the *2004 Audit of Management of Personal Information* and the *2003 Audit of Entitlement to Employment Insurance Benefits* reports, weaknesses in the segregation of duties and in controls regarding information access were identified in EI benefits processing.

Prior to the creation of Service Canada in September 2005, the EI Branch of Human Resources and Skills Development Canada developed and implemented job profiles for call centre employees, in-person employees, investigators and benefit processing agents. These job profiles, based on the key activities of the various work descriptions, specified the access to transaction or enquiry screens. In essence, they were intended to facilitate segregation of duties and to apply the need to know principle when client data was accessed.

³ Definition of the Information System Audit and Control Association.

At the same time, monitoring was strengthened, particularly through the audit trail mechanism.

In September 2005, when Service Canada was created, the Operations Branch became responsible for EI, Canada Pension Plan/Old Age Security and the call centres. EI in-person services moved to the Citizen and Community Services Branch while the investigation and control function moved to the Integrity Branch. Staff engaged in the collection of debts moved to the Canada Revenue Agency.

An important trend has been reduced staff involvement in the processing of claims. Approximately 95% of all claims are now registered electronically. In addition, systems are being gradually phased out and are moving to more sophisticated programs. For example, the Support System for Agents transaction and enquiry screens are being replaced with full text screens which will allow for both better staff access to information and better controls. The Operations Branch, therefore, continually updates their job profiles and tracking reports.

This follow-up audit reviewed and evaluated corrective measures made by the EI Branch (Human Resources and Skills Development Canada) and the Operations Branch (Service Canada) in relation to segregation of duties. The corrective measures, identified by the EI Program in 2003-04 to be undertaken, are listed in Appendix B of the approved Terms of Reference.

Scope

This follow-up audit focused on the Support System for Agents-related matters to ensure that the preventive controls were strengthened as planned, in order to minimize the potential risk for abuse and fraud.

The fieldwork was conducted at National Headquarters and in the Quebec and Ontario regions in September and October 2006.

Methodology

Assurance was provided through a number of methodologies and tools including:

- interviews with management and staff at National Headquarters, Service Canada Centres and the Information Technology Centre
- review and analysis of documents
- identification of essential controls within approved processes and procedures and
- on-site observation.

The approved Terms of Reference for this audit are contained in Appendix B.

2.0 AUDIT FINDINGS

Audit Objective

The objective of this audit is to provide assurance to senior management that the segregation of duties has been implemented in the EI System Support for Agents.

Audit Criterion

Segregation of duties has been implemented as planned in response to earlier audit reports⁴.

Findings

The Operations Branch has made substantial progress in moving away from the universal agent concept, but weaknesses remain with respect to segregation of duties in Employment Insurance claim processing.

In the last two years, the Service Canada's Operations Branch has made progress in the development of 24 job profiles that indicate which screens are available to the end users for claim processing. The objective was to limit and control access to screens so that individuals would only have access to the information and the capacity to process changes required to do their job function. Ten of these profiles still have the capacity to process a claim from registration to payment approval (from start to finish).

The Montreal Information Technology Centre produces a *Consolidated User Access Report* that indicates the Support System for Agents job profile of individual employees. During the course of this audit we visited two Service Canada Centres and, using this report, we confirmed that, in practice, approximately half of staff with access to the Support System for Agents could process an EI claim from registration to payment approval. In addition, several employees at National Headquarters are not linked to a job profile. Such users can access all screens, edit some information and process a claim from start to finish.

Although 97% of the claims are inputted by the applicant/claimant via the internet and 95% overall are registered automatically, segregation of duties is not currently fully realized for the remaining 5% of claims.

In November 2005, the Insurance Benefit Pay Systems Division identified changes in the Support System for Agents that would implement segregation of duties. To date, these system changes have not been fully implemented by the Operations Branch.

⁴ While not stated as an audit criterion in the approved Terms of Reference, it is implicit in the objective. It is stated here as an audit criterion for consistency with approved audit report formats. As well, an audit criterion has been added to address compensatory detective controls.

Recommendation 1:

We recommend that the Operations Branch take the necessary steps to further implement segregation of duties in the Employment Insurance claim process.

Audit Criterion

Personal information relating to an EI claimant is accessed only by authorized persons who require it to perform their functions.

Findings

The Operations Branch has made substantial progress in moving away from the universal agent concept but control weaknesses remain with respect to accessing appropriate information in Employment Insurance claim processing.

The need to know principle is that staff should not access client information unless it is required to perform their official duties.

In practice, some Support System for Agents users could access client information not strictly required to fulfill their duties. Remaining control weaknesses include automatic roll-over from one screen to another and the ability to request a different screen from a screen being properly viewed.

In November 2005, the Insurance Benefit Pay Systems Division identified changes in the Support System for Agents that would reduce access to unneeded client information. To date, these system changes have not been fully implemented by the Operations Branch.

An important mitigating factor in place is management's emphasis on the need to know principle. Support System for Agents users we interviewed at the Service Canada Centres told us that they have been notified of the principle. Moreover, staff is aware that violation of the principle can result in very significant repercussions.

Recommendation 2:

We recommend that the Operations Branch assess the feasibility of modifying the Support System for Agents to apply to the extent possible the need to know principle in job profiles.

Canada Revenue Agency⁵ staff does not have a Service Canada job profile. It is therefore difficult to monitor the screens Canada Revenue Agency users access since they are not linked to a Service Canada Personal Record Identifier (a personal identification number) or a responsibility centre (identifier indicating work unit/group). Service Canada is currently in discussion with Canada Revenue Agency to agree on the type of information Canada Revenue Agency employees should be able to access to ultimately develop job profiles for Canada Revenue Agency users.

Recommendation 3:

We recommend that the Operations Branch give priority to reaching an agreement with the Canada Revenue Agency regarding the type of information the agency's employees need to fulfill their duties and to provide them with appropriate job profiles.

Audit Criterion

Adequate detective controls (e.g. monitoring) are in place to complement segregation of duties and Support System for Agents restrictions on information access.

Findings

Monitoring is being done, but monitoring reports could be used in a more efficient and effective way.

To monitor Support System for Agents access, the Quebec region developed a monitoring report based on legitimate user codes that accessed the four main Support System for Agents screens that are essential to process a claim from registration to payment approval. This report indicated the names of each individual Support System for Agents users who accessed all four of these screens for a particular claimant within a short period of time. The Montreal Information Technology Centre would send this report to management where further investigation appeared warranted. Service Canada's Operations Branch did an analysis of this report and found it to be a potentially effective control for detection, but it has not yet been adopted.

In addition, our analysis of that monitoring program demonstrated that it had some weaknesses regarding employees with multiple legitimate user codes.

When the segregation of duties is fully implemented and properly applied for the Support System for Agents, monitoring screen activities will no longer be needed as a compensatory control, but may remain cost-effective as a complimentary detective control. However, it may also be the case that only testing of controls will be necessary.

⁵ Canada Revenue Agency's employees are responsible only for the collection services on behalf of Human Resources and Skills Development Canada and as former employees of the department, they are not permitted to input pay claims.

Recommendation 4:

We recommend that the Operations Branch strengthen the user code assignment process and reinstate (and strengthen as necessary) the monitoring report on user code activities to monitor access to the four main Support System for Agents screens.

Recommendation 5:

We recommend that the Operations Branch review the cost-effectiveness of monitoring once the segregation of duties and the need to know principles are fully applied.

3.0 CONCLUSION

The Operations Branch has made substantial progress in moving away from the universal agent concept to implement segregation of duties and other management controls, such as monitoring and information for staff.

Nevertheless, control weaknesses remain with respect to segregation of duties and access to appropriate information in Employment Insurance claim processing. Monitoring of activities and accesses is in place but also has weaknesses. Best practice and the importance of assuring our clients and the public of cost-effective due diligence require that these findings are addressed.

Statement of Assurance

In our professional judgment, sufficient and appropriate audit procedures have been conducted and evidence gathered to support the accuracy of the conclusions reached and contained in this report. The conclusions were based on observations and analyses of the situations as they existed at the time against the audit criteria. The conclusions are only applicable for the Employment Insurance Program.

This internal audit was conducted in accordance with the Treasury Board Policy on Internal Audit and the Institute of Internal Auditors Standards for the Professional Practice of Internal Auditing.

APPENDIX A – Management Action Plan

Internal Audit Recommendations	Management Plan Action(s) to be undertaken	Planned Completion Date	Responsibility Title and RC Number
1. We recommend that the Operations Branch take the necessary steps to further implement segregation of duties in the Employment Insurance claim process.	1. The Operations Branch agrees with this recommendation. The Operations Branch will undertake to: a) further apply segregation of duties b) finalize the development and implementation of a monitoring report	a) March 2008 b) July 2007	Director General, SSA RC: 9459
2. We recommend that the Operations Branch assess the feasibility of modifying the SSA to apply to the extent possible the “need to know” principle in job profiles.	2. The Operations Branch agrees with this recommendation. The Operations Branch will undertake to: a) review the information currently available within each job profile b) determine, for each job profile, that only the information required to meet a ‘need to know’ principle is provided c) where feasible, systems will be modified	a) October 2007 b) December 2007 c) June 2008	Director General, SSA RC: 9459 IITB
3. We recommend that the Operations Branch give priority to reaching an agreement with CRA regarding the type of information CRA employees need to fulfill their duties and to provide them with appropriate job profiles.	3. The Operations Branch agrees with this recommendation. The Operations Branch will undertake to: a) meet with CRA b) determine, within a “need to know” principal, the data elements required for CRA employees to fulfill their duties and create job profiles c) Implement the job profiles for CRA staff d) Modify systems where necessary	a) May 2007 b) August 2007 c) December 2007 d) March 2008	Director General, SSA RC: 9459 IITB

Internal Audit Recommendations	Management Plan Action(s) to be undertaken	Planned Completion Date	Responsibility Title and RC Number
4. We recommend that the Operations Branch strengthen the user code assignment process and reinstate (and strengthen as necessary) the monitoring report on user code activities to monitor access to the four main SSA screens.	4. The Operations Branch agrees with this recommendation. The Operations Branch will undertake to: a) finalize the development and implement the monitoring report on user activities b) strengthen the current reporting mechanism to ensure appropriate assignment of user codes	a) July 2007 b) July 2007	Director General, SSA RC: 9459
5. We recommend that the Operations Branch review the cost-effectiveness of monitoring once the segregation of duties and the “need to know” principle are fully applied.	5. The Operations Branch agrees with this recommendation and will undertake a review upon full application of segregation of duties and the need to know principle.	March 2008	Director General, SSA RC: 9459

APPENDIX B – Terms of Reference

AEC Approved Terms of Reference

Follow-up Audit EI Segregation of Duties

Project Number: 06606/06-07

Approved by:

*Chief Audit Executive
Internal Audit Branch*

Barb McNab

Date

*Assistant Deputy Minister
Operations Branch*

Élizabeth Châtillon

Date

*Assistant Deputy Minister
Innovation, Information and
Technology Branch*

Chris Brennan

Date

July 2006



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APPENDICES

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APPENDIX B - Observation on criterion 3.4.3 - Audit of Entitlement to Employment Insurance Benefits

1.0 INTRODUCTION

Employment Insurance (EI) is one of the major programs delivered by Service Canada¹. Entitlement to Employment Insurance (EI) Benefits² represents the major activity of the Employment Insurance Program.

In 2005-06, nearly 3 million applications to EI were received in more than 320 offices across the country. Some 8,000 employees deliver or manage the delivery of this activity at the national, regional and local centres, essentially the Service Canada Centres and Telecentres.

In addition, the amount of EI Benefits processed through the System Support for Agents³ (SSA) represents over 15 billion dollars each year.

Segregation of duties is an essential control in all business processes. It is a preventive control to ensure that abuse and fraud are reduced to its lowest possible level. In the *2004 Audit of Management of Personal Information* and the *2003 Audit of Entitlement to Employment Insurance Benefits* reports, weaknesses in the EI segregation of duties were identified. This follow-up audit will review and evaluate corrective measures made by the EI Program in relation to this finding.

This follow-up audit was approved in the 2005-2006 Internal Audit Plan and falls under two of Service Canada's strategic objectives which are to deliver seamless citizen-centered service and enhance the integrity of programs.

The purpose of the *Audit of Management of Personal Information* was to provide assurance that the management of personal information within HRDC was in compliance with the *Privacy Act*. The audit reported several recommendations for the EI Program for which a Management Action Plan (MAP) was requested. Even though this audit focused on many program areas, this follow-up audit will only cover the segregation of duties within the SSA in order to ensure that essential controls are in place to prevent fraud and abuse. Refer to Appendix A for the MAP.

The second audit named *Entitlement to Employment Insurance Benefits* was to provide assurance that the overall entitlement to EI benefit activities was appropriately managed. One of its audit criteria consisted of verifying if the EI data was restricted only to employees who needed the information to perform their duties. Findings indicated that this was not the case. At the time of the audit, the EI Program was currently examining the access needs for the various functions in relation to the entitlement to benefit activities in order to restrict employees to the accesses they need to perform their specific duties. Refer to Appendix B for the report's observation.

¹ Since September 2005, Service Canada is now responsible for the Employment Insurance function.

² Entitlement to benefits refers to the process of determining whether an applicant is entitled to employment benefits and in the affirmative, the duration and amount of the benefits payable.

³ The Support System for Agents (SSA) is a PC-based system operating on LANs within Service Canada Centers to gather, edit and assess information relating to initial application for benefits, applications for renewal of a claim for benefits, revising claims due to subsequent information and recalculating claim benefits.

2.0 AUDIT OBJECTIVE AND CRITERION

Objective:

The objective of this audit is to provide assurance to senior management that the segregation of duties has been implemented in the EI System Support for Agents (SSA).

Criterion:

Personal information relating to an EI claimant is accessed only by authorized persons who require it to perform their functions.

3.0 SCOPE

This follow-up audit will focus on the SSA to ensure that preventive controls have been implemented in order to minimize the potential for abuse and fraud.

The fieldwork will be primarily conducted at the NHQ since the SSA is administered and maintained at the National Headquarters. One Service Canada Centre (SCC) in the surrounding area will be visited as well as the Information Technology Centre (ITC) responsible for issuing User ID to access the SSA.

4.0 METHODOLOGY

A number of methodologies will be used during the conduct of this audit:

- interviews with management and staff at the NHQ, Service Canada Centre and the ITC;
- review and analysis of documents;
- identification of essential controls within the processes and procedures; and
- system testing.

5.0 REPORTING

Throughout the duration of this audit, IAB will provide regular progress reports to the managers of the SSA/WMS Release Coordination and the Insurance Client Services units' part of Operations Branch and to the Senior IT Security Analyst part of the Innovation, Information and Technology Branch. Any significant findings will be reported to the appropriate management level as they occur.

A Consultation Document will be sent to the Director of the Insurance Program Services, the Senior Director of Business Transformation in the Operations Branch and to the Director of Enterprise System Support in the Innovation, Information and Technology Branch for review and comment.

A Consultation Document will then be sent to the Director General of the Employment Insurance Service Delivery and to the Senior Director General of IT Operations with a request to respond with a formal Management Action Plan (MAP) approved by the Assistant Deputy Ministers of the Operations Branch and the Innovation, Information and Technology Branch.

The final draft report (with the MAP) will be presented to the Audit and Evaluation Committee (AEC) and the Independent Audit Committee, if appropriate. The final report will be publicly issued.

6.0 MILESTONES

Planning Phase June-July 2006

Field Work September 2006

Reporting:

 Consultation DocumentOctober 2006

 Final Draft Report and Management Action Plan to the AEC December 2006

7.0 RESOURCES

Auditor Weeks 25

The audit will be carried out by:

Benjamin Cyr, Director

Chantal Pilon, Auditor

APPENDIX A

Audit of Management of Personal Information

Management Action Plan (MAP)

Recommendations 9 and 11⁴

INTERNAL AUDIT RECOMMENDATIONS	CORRECTIVE MANAGEMENT ACTION PLAN	EXPECTED COMPLETED DATE	RESPONSIBILITY
<p>9) All the persons involved in the process of management of all User IDs and profiles providing access to personal information, responsibility and accountability should be clearly defined and implemented.</p> <p>Documentation should be available on the nature of the personal information the employee is given access to.</p>	<p>Completion of all EI national job profiles (75% currently profiled).</p> <p>EI program manager's roles, responsibility and accountability for profiles and user codes defined.</p> <p>Implementation of job profiles.</p>	<p>Completed</p> <p>Second quarter of 2004-05</p> <p>See response by Systems Branch in recommendation No.11</p>	<p>DG, Insurance Services</p>
<p>11) To allow effective and efficient monitor access to personal information and to facilitate periodic audits, the following should be created as soon as possible:</p> <p>1. A list of all the User IDs that provide access to EI programs and databases containing personal information, certified by the proper level of authority (to be identified in the Privacy Accountability Framework presently underway).</p>	<p>IT Operations/Security will produce a report to be verified by RC managers within all program areas. This report will display User ID, name, PRI and access capabilities to which this User ID has authorized access.</p> <p>The program authorities will limit access within their program area.</p>	<p>September 2004</p>	<p>Senior DG, Technology Services Directorate</p>

⁴ Only recommendations 9 and 11 of the MAP are relevant for this follow-up audit.

INTERNAL AUDIT RECOMMENDATIONS	CORRECTIVE MANAGEMENT ACTION PLAN	EXPECTED COMPLETED DATE	RESPONSIBILITY
2. Practical processes to determine with certainty the identity of the incumbents of each of the User IDs listed in (1).	The activities listed above will result in the verification of the usability of all User IDs and the incumbent. To ensure that information stays accurate and timely, the following options are being explored: a) automatic suspension of inactive User IDs; b) interface to FAS Security to ensure being advised of changes in employee's status; and c) quarterly review/updates with all RC managers.	October 2004	Senior DG, Technology Services Directorate
3. Practical processes to determine with certainty the function exercised by each incumbent identified in (2).	The activities listed as responses to recommendations #11; items 1 and 2 will identify and verify the access capabilities of the employee. The program areas determine the functions that can be exercised through management response to recommendation No. 9	Timeline for recommendation #9 and then an additional 3 months to identify each user's profile and then matching these profiles to User ID.	Senior DG, Technology Services Directorate Senior DG/IT Operations DG, Insurance Services
4. Grids linking each function identified in (3) to an access profile that meets privacy requirements.	Once the program area completes creation of profiles (groups of transactions codes) then ITO/Security will create a corresponding profile within Security Management and Single Logon (SMSL). The program areas will identify profiles to each user. ITO/Security will match the profile to the User ID. Reports to be circulated to RC managers for verification. Develop and implement approval process for granting access to EI data (NHQ requests); Develop approval process for granting access to EI data (Regional requests);	Timeline for recommendation #9 and then additional 3 months to identify each user's profile and then matching these profiles to User ID. Completed Second quarter of 2004-05	Senior DG, Technology Services Directorate Senior DG/IT Operations DG, Insurance Services

INTERNAL AUDIT RECOMMENDATIONS	CORRECTIVE MANAGEMENT ACTION PLAN	EXPECTED COMPLETED DATE	RESPONSIBILITY
	<p>Implement Regional EI Approval process;</p> <p>Develop monitoring process to ensure effective management of user codes in conjunction with ITC Security. To be part of overall Systems' plan to review existing documentation, procedures and processes addressed in recommendation No. 10.</p>	<p>To be determined in consultation with the regions</p> <p>To be determined in consultation with ITC Security.</p>	<p>DG, Insurance Services</p>

APPENDIX B

Audit of Entitlement to Employment Insurance Benefits Observation

Audit Criterion No. 3.4.3: Access to entitlement to benefit programs and data is restricted to employees who need this access to perform their functions.

At the time of the audit, most managers and employees involved in entitlement to benefit activities had been given the same broad logical access to most EI programs and data. This concept is generally referred to as the “Universal Agent” approach. This does not imply that Claim Preparation and Insurance Agents must perform all the operations on the same claim i.e. creation, activation and termination, but they have the technical capacity to do so.

This approach is now under review and an insurance group has been created to look at the real logical access needs for the various functions associated with entitlement to benefit activities and to restrict employees to the accesses they need to perform their specific duties.