



## Mississippi Department of Employment Security

Haley Barbour  
Governor

Tommye Dale Favre  
Executive Director

### INFORMATION SYSTEMS MANAGEMENT REPORT

Stacey E. Pickering, State Auditor  
Office of the State Auditor  
State of Mississippi  
P. O. Box 956  
Jackson, MS 39205-0956

July 23, 2008

Dear Mr. Pickering:

Please find in this letter our responses to findings resulting from the Information Systems audit conducted by your staff of Toby Frazier, Mike Ferguson, and LaDonna Johnson. It was a pleasure to work with your staff as they always conducted themselves in a professional manner and were very helpful in providing insight and suggestions to help us improve internal controls within our information technology operations.

As noted by your staff, we are in the process of transitioning from a mainframe environment to a more sophisticated, web-based, server environment for our business applications. This transition has resulted in unique challenges in maintaining controls while providing improved services to our end customers. We expect to be through with this transition effort within the next three to five years. At that time, improved internal controls should exist and will no longer be fragmented between the two processing environments.

#### AUDIT FINDINGS:

#### **MDES Information Systems Department Should Improve Controls for Implementation of Mainframe Application Programs**

Response: While we concur with the recommendation, it is not feasible for us to attempt to have Data Control personnel compile and link programs into production libraries simply because of limited staff available. We try to ensure that we control program changes as much as possible by requiring service requests from functional areas signed by the proper signatory authority. This provides some measure of an audit trail, although not the optimum situation. Additionally, legacy mainframe programmers are on call in the event a batch operation abnormally terminates during evening processing. Under our current batch processing operation, programmers must have the authority to recompile programs and put them back into production to ensure that all batch processing is completed as required during the evening. Again, we note that we are currently transitioning from mainframe based operations to server based operations. Within the new environment, programmers are not and will not be able to move builds into production.

Corrective Action Plan: Again, we concur with the finding, but respectfully submit that we will maintain our current methodologies for compiling and linking programs into production libraries by the responsible programmer. When we have completely transitioned to a server based environment, programmers will no longer have the capability of moving new builds into the production environment.

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#### **MDES Should Periodically Inventory Mainframe Tapes.**

Response: We concur with the finding and recommendation from the Office of the State Auditor.

Corrective Action Plan: An annual inventory of tapes will be conducted as part of our Standing Operating Procedure beginning July 1, 2008. Responsible persons are John Bowden, Operations Manager, and Ben Speake, Lead Systems Operator.

#### **MDES Should Limit Usage of the RACF "Special" Attribute**

Response: We concur with the finding and recommendation from the Office of the State Auditor.

Corrective Action Plan: Action has already been initiated to remove the RACF "special" attribute from personnel who no longer require this attribute to perform their job duties. Responsible person is Michael Box, Systems Manager II. Action has already been completed.

#### **MDES Should Establish a Method to Remove or Isolate Terminated Employees in RACF and Active Directory.**

Response: We concur with the finding and recommendation from the Office of the State Auditor.

Corrective Action Plan: MDES Office of Human Capital will provide the IT Department with the information on employee terminations. Each HR Generalist, Marie Divinity, Ruby Walker, Judy Tisdale, and Stefanie Williams, will be responsible for providing information on terminations as they occur in their respective areas. IT Help Desk personnel will then be responsible for removing terminated employees from RACF and Active Directory in a timely manner. Responsible person is Thomas Jameson, Lead Network Specialist. Corrective action will be implemented by August 1, 2008.

#### **MDES Should Test Its Mainframe Computer Disaster Recovery Plan.**

Response: We concur with the finding and recommendation from the Office of the State Auditor. However, the hot site for MDES Mainframe Computer Disaster Recovery Plan is located in Boulder, Colorado. Last year, two of our Systems Programmers accompanied personnel from ITS to observe testing of ITS Disaster Recovery Plan. When inquiring about accompanying ITS this year to perhaps try to test our Disaster Recovery Plan at the same time, we discovered that the hot site is not currently set up to accommodate a 32-bit processor environment such as exists with our mainframe. Since our contract is an addendum to ITS contract with IBM, we must wait until the details are worked out with IBM so that we can schedule a test date with them.

Corrective Action Plan: We will schedule a test date with the IBM facility in Boulder, Colorado once we are notified that they are able to accommodate testing for a 32-bit processor Mainframe computer. Additionally, we are researching the merits of upgrading our Mainframe computer to accommodate

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mainframe operations at MDES for a minimum of 3-5 additional years. If we procure an upgrade, we will schedule a test with the IBM facility once we have migrated our existing mainframe to a new mainframe. Responsible person is Randy Riddle, Lead Systems Specialist. We hope to have corrective action implemented prior to July 1, 2009.

Sincerely,

A handwritten signature in blue ink that reads "Tommye Dale Favre".

Mrs. Tommye Dale Favre  
Executive Director

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