

**EXAMINATION OF SELECTED AUDITOR-GENERAL'S FINANCIAL AUDIT
REPORTS 2021**

Organisation: Lord Howe Island Board

Date Received: 1 September 2022

From: Debbie Johnsen [REDACTED]
Sent: Thursday, 1 September 2022 9:03 AM
To: PublicAccountsCommittee PAC
Cc: [REDACTED]
Subject: RE: Follow up on Auditor-General's Financial Audit Report on Planning, Industry and Environment 2021

Follow Up Flag: Follow up
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Categories: Agenda PH No:38

Good morning Leon,

Please find below responses to the questions raised by the committee.

For the committee's additional information, yesterday the Lord Howe Island Board commenced a major Information Communication Technology (ICT) project. The project is a 12-week discovery programme working with DPE ITC support and an external specialist consultant to develop a comprehensive understanding of the current state ICT environment for Lord Howe Island with a focus on IT capacity and capability. The initiative will obtain a clear understanding of the organisational needs and issues and all viable parts of the ICT landscape including business applications, infrastructure, and key project initiatives. The project outcome will develop an interim and target state ICT landscape and operating model which will address all identified risks and concerns raised by the various stakeholders.

Kind regards

Debbie

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1. The Planning, Industry and Environment 2021 Report noted that external service providers had privileged access rights using generic accounts.

1.1 Are generic accounts still being used for users with privileged access rights?

Yes

1.2. If generic accounts are still being used for system administration purposes, please clarify:

1.2.1 How many generic accounts are currently active and how many individuals know the password/s for these accounts/s?

- Domain controller - 2 Generic accounts used by external service provider (Shire) to access the domain. 3 Staff of the service providers have access to these passwords
- Individual servers - 4 generic accounts/passwords exist and are accessed by 3 staff of external service provider (Shire) and 2 local staff to enable access to servers locally in the event domain access is unavailable

- Authority (financial system) server – 1 generic account/password accessed by external service provider (Civica) support staff
- Content Manager Server - 1 generic account/password accessed by external service provider (Civica) support staff.

1.2.2 How does the Board ensure that data or system changes can be proved to have originated from a specific or authorised user?

- Standard Windows logs are available for review if required but specific Auditing software is not currently used for network changes.
- Authority financial management system records all changes to the database according to user accounts. Transactional processing is also linked to user accounts.
- CM9 records audit events against each record by user account.

2. The Board's response noted that it had implemented processes to monitor the activities of privileged users, and that this is conducted via generated system reports.

2.1 Do these reports show the activities of all privileged users?

No not all activity is reported. The reports that are generated relate only to updates to the financial management system Authority, in respect to all changes to the payroll module and accounts payable master files.

2.2 Who generates these reports and who reviews these reports? Is the individual/s who generates and reviews the reports a privileged user?

The reports are generated by Administrative staff members and reviewed by the CFO who is not a privileged user.

2.3 What level of review is performed using the system reports, including:

2.3.1 What does the reviewer check in the reports?

The reviewer checks changes made to the database against supporting documents.

2.3.2 Is the review of privileged users' activities documented and if so, how is it documented?

The reviews identified at 2.1 are documented in the Boards Records Management System CM9.

2.3.3 Are the activities in the system reports verified against supporting documents?

Yes – changes are referenced to supporting documentation which is also saved in CM9.

2.4 Is this a documented review? Does the reviewer sign and date the report once their review is complete?

The review is captured via auditable Actions within CM9.