THE UNIVERSITY OF TEXAS
MD Anderson ~~Cancer~~ Center

August 30, 2019

M E M O R A N D U M

TO: Sharon Robertson
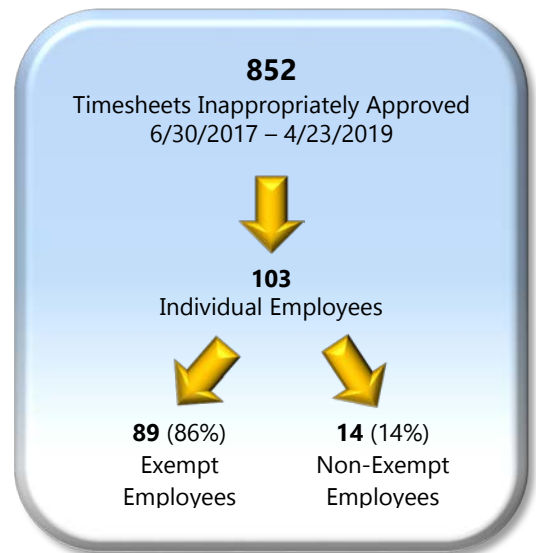Manager, Information Services

FROM: Sherri Magnus   *Sherri Magnus*
Vice President & Chief Audit Officer

Re: MDA19-124 Kronos Segregation of Duties (SOD) Review

Internal Audit was informed that one employee was able to approve their own timecard. As a result, we conducted a review to determine the extent of this segregation of duties conflict within Kronos. This conflict increases the risk that errors or irregularities may occur and go undetected related to employees' time and attendance records. For example, we found that non-exempt employees were able to approve their own timecards 225 times during the period, which would allow them to immediately impact their payroll. A high-level review did not indicate evidence of fraudulent activity.

According to Enterprise Business Systems (EBS), previous controls over segregation of duty were inadvertently deactivated after an adjustment to the access profiles were made in April 2017. Further review indicated that although the Institution's Change Management process was followed during this change, testing procedures did not identify this deficiency. As a result, segregation of duties permissions were not maintained. Once Internal Audit identified the error, EBS reacted quickly to reinstate the appropriate segregation of duties.

The Institutional Change Management policy, ADM 0331, requires EBS verify that (1) an appropriate testing plan has been developed, (2) such testing has occurred in a separate, non-production environment whenever possible, and (3) testing results are formally documented according to the institutional Operational Change Management process to minimize risks to the institution.

852
Timesheets Inappropriately Approved
6/30/2017 – 4/23/2019

⬇

103
Individual Employees

⬇   ⬇

89 (86%)   **14** (14%)
Exempt   Non-Exempt
Employees   Employees

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Recommendation: ***Rating: MEDIUM***
Enterprise Business Services should ensure that thorough testing is performed when
changes occur related to Kronos.

Management Action Plan:
Executive Leadership Team Member: Shibu Varghese
Division/Department Executive: Craig Owen
Owner: Anthony DeAnda
Implementation date: Implemented

We have implemented a process to ensure change management procedures include
comprehensive testing on all future changes to Kronos. While EBS does not conduct User
Acceptance Testing, we will collaborate with the end users to develop appropriate
scenarios, including negative tests.

cc: Shibu Varghese
    Craig Owen
    Richard Tademy
    Phinu Koovakada
    Anthony DeAnda

DEPARTMENT OF INTERNAL AUDIT