

**The Electoral Office for Northern Ireland**

**Internal Audit report 2007/08**

**Information Technology Systems**

**10 January 2008**

Ref: BC/lb

**Private and Confidential**

D Bain Esq  
Chief Electoral Officer  
Electoral Office for Northern Ireland  
St Anne's House  
15 Church Street  
Belfast

10 January 2008

Dear Sir

**Re: Fieldwork visit – Information Technology Systems**

**Introduction**

1. We recently completed our internal audit fieldwork visit in respect of the 2007/08 financial year in relation to the Electoral Office for Northern Ireland's ("EONI's") system for information technology systems. This report summarises our findings.
2. We previously undertook a review of the EONI's Information technology systems in February 2007 and determined that a "reasonable" assurance rating was appropriate. We reported four recommendations within our report in respect of the development and periodic testing of a business contingency plan, that agreements in place with external providers should be the subject of review on a regular basis and that recommendations made in a review undertaken by SELEX Communications in December 2006 should be fully implemented.
3. We revisited these recommendations as part of our 2007/08 internal audit follow-up report and noted that a business continuity plan have been formalised and approved by the Senior Management Team with the testing of the plan set by EONI Management for December 2007. We also noted that the recommendations made by the SELEX Communications report had been fully implemented. However, we noted that EONI's contracts with IT suppliers in respect of the UNIPIMS and SUN accounting systems were due to expire in March 2007. We understand that both contracts have been extended for a period of one year to enable a review of the possibility that the EONI could transfer to using the NIO's IT systems.

**Background**

4. EONI uses the following IT systems for the maintenance of the electoral register, financial accounting records and personnel and payroll details:
  - a) *Electoral Registration Operating System ("EROS")*: EROS is used as an integrated election and registration management system. EROS has been tailored and refined to meet the specific needs of the Northern Ireland registration system (Northern Ireland's information is maintained by elector, while the rest of the United Kingdom's information is maintained by household). We note that a contract is in place with Hewlett Packard ("HP") for the maintenance of EROS;

- b) *SUN accounting system:* EONI maintains separate election and non election related chart of accounts on SUN. The EONI Finance section produces monthly management information packs which provide details of all election and non related income and expenditure. The system is maintained by SYSCO Software Solutions (“SYSCO”); and
- c) *UNIPIMS system:* UNIPIMS is EONI’s human resource management system and facilitates a full range of personnel functions, including personnel management, payroll management, absence management, recruitment management, training and full payroll processing. The UNIPIMS payroll system is administered and supported through ICS Payroll (a third party payroll bureau service).

5. The main responsibilities of the Information Services Department include:

- a) IT security: ensuring that no unauthorised users obtain access to the system. The Department is responsible for the installation and maintenance of firewalls, reviewing access levels for different parts of the system and ensuring that no staff member is cleared for the system until they have signed the security operating procedures;
- b) installing and administering of IT hardware and software;
- c) backing up the data on a working day basis; and
- d) compiling and producing reports and statistical analysis from the electoral register using standard report generators.

### **Scope**

6. In line with EONI’s annual internal audit plan, approved by the Board on 16 August 2007, the fieldwork visit focussed on assessing the following control objectives in respect of the system of information technology systems:

- a) to ensure that data is backed-up regularly;
- b) to ensure that adequate IT security policies and procedures are in place;
- c) to ensure that adequate contingency/recovery plans are in place;
- d) to ensure that access controls or physical security controls are in place;
- e) to ensure that the requirements of the data protection legislation are adhered to;
- f) to ensure that only licensed software is used; and
- g) to ensure that the service level agreement in respect of outsourcing payroll is appropriate and adequately reviewed.

7. This report is addressed to the Chief Electoral Officer (“CEO”) and as required by our terms of appointment, copies of all finalised reports are also issued to the NIO’s Head of Internal Audit, the Northern Ireland Audit Office and the Rights and International Relations Division (“RIR”) – the relevant sponsoring division within the NIO. No duty of care is accepted to any party other than those to whom the report is addressed. No responsibility is accepted for any reliance placed upon our report, should it be used for any purpose other than that stated above.

### **Basis of assurance**

8. We conducted our internal audit work in accordance with the Government Internal Audit Manual (“GIAM”). Our work included an examination, on a test basis, of transactions processed in accordance with EONI’s system of internal control.

9. This review has been conducted within the context of an internal audit review process designed to address key risks on an annual basis. Only 2.5 days was allocated to this review and consequently there was a requirement to conduct a general assessment of the key aspects of the systems and then to focus on a limited number of specific areas. In these circumstances, this review should not be regarded as being an extensive and detailed review sufficient to test and assess all aspects of EONI’s information technology systems activities.

10. We planned and performed our internal audit work to obtain reasonable assurance that the systems were operating as described. However, you should not rely on our work to identify all instances of fraud or error. The responsibility for these matters rests with management and the Chief Electoral Officer as Accounting Officer.

### **Findings**

11. Our review identified that data is regularly backed-up, adequate IT security policies and procedures are in place and a business continuity plan (including an IT disaster recovery plan) had been formalised and approved by the Senior Management Team in September 2007. However, we noted that there are weaknesses in relation to the evidencing of the EROS audit log.

12. We have attached at *Appendix A* the key finding identified during the course of our review.

13. The findings included in this report were discussed with Mr Douglas Bain (Chief Electoral Officer), Mrs Margaret McMullen (Head of Corporate Services) and Mr Peter Mullan (Finance Officer) on 12 October 2007. A draft of this report was issued to EONI for Management comments on 19 November 2007.

### **Management responses**

14. We have attached an implementation table at *Appendix B* which records responses and implementation dates for each of the audit recommendations.

### **Assurance rating – satisfactory**

15. In our opinion, there are a number of improvements which could be incorporated within EONI’s internal control system for information technology systems particularly, in relation to the evidencing of the reviews of the audit log produced from EROS. However, the existing controls in place within the information technology systems system are basically sound and provide **satisfactory** assurance regarding the effective and efficient achievement of EONI’s objectives in relation to information technology systems.

16. We have attached a definition of the assurance ratings at *Appendix C*.

**Other matters**

17. We would take this opportunity to thank EONI's management and staff for their assistance and co-operation during the course of this assignment.

18. If you have any queries in relation to this correspondence, please do not hesitate to contact Brian Clerkin or Lacey Beckett.

Yours faithfully

ASM Horwath

e-mail: [brian.clerkin@asmhorwath.com](mailto:brian.clerkin@asmhorwath.com)  
[lacey.beckett@asmhorwath.com](mailto:lacey.beckett@asmhorwath.com)

## **EROS audit log reviews**

**A**

### **Weakness**

A1. We were informed that the EONI IT section complete a review of the audit log produced from the EROS system on a monthly basis. However, we note that no documentation is retained to evidence the completion of the review.

### **Effect**

A2. In the absence of the EONI IT section evidencing the review of the EROS audit log EONI Management do not have assurance what the review has been undertaken and that issues identified have been accordingly actionned.

### **Recommendation**

A3. We recommend that staff within the EONI IT section retain evidence of the review of EROS audit log and record issues identified together with corrective actions undertaken.

## Summary of recommendations and implementation schedule

A

Reference	Recommendation	Management response	Action Taken / To be Taken	Implementation Date
A3.	We recommend that staff within the EONI IT section retain evidence of the review of EROS audit log and record issues identified together with corrective actions undertaken.	Rejected	The EROS audit log contains many thousands of entries each month. Whilst it is a useful tool for investigating any particular change to the register it is, because of its size, unsuitable for the audit function proposed. The checks of accuracy already undertaken in Area Electoral Offices, where all but a tiny number of changes to the register are made, provide a satisfactory level of assurance. This is enhanced by the spot checks carried out by the AEO's on visits to these offices.	N/a

## **Assurance rating definitions**

**B**

**Substantial** – There is a robust system of risk management, control and governance which should ensure that objectives are fully achieved.

**Satisfactory** – There is some risk that objectives may not be fully achieved. Some improvements are required to enhance the adequacy and / or effectiveness of risk management, control and governance.

**Limited** – There is considerable risk that the system will fail to meet its objectives. Prompt action is required to improve the adequacy and effectiveness of risk management, control and governance.

**Unacceptable** – The system has failed or there is a real and substantial risk that the system will fail to meet its objectives. Urgent action is required to improve the adequacy and effectiveness of risk management, control and governance.