



Advisory Services Memo

Date: August 30, 2017

To: Robert Sellers, V.P. and Chief Technology Officer

From: Karen Wittlinger, IT Audit Director

Subject: End User Computing Advisory Engagement

Background

In the context of this project, end user computing (EUC) refers to processes and procedures implemented to manage the development and usage of applications or technology created or acquired by non-programmers outside of the normal system development life cycle process managed by the IT department. This may include spreadsheets, macros, scripts, models, databases, queries, external websites and purchased applications. As new technologies and mobile platforms make it easier for employees to develop their own applications, businesses are challenged with ensuring that adequate controls are maintained over the EUC environment and the information produced by these applications. Many of the end user computing applications (EUCAs) are not significant enough to warrant extensive controls considerations. However, based upon internally developed criteria specific to the enterprise and an inventory of the environment, critical EUCAs can be detected and relevant controls applied to reduce financial, operational, compliance or reputational risks.

Advisory Scope and Objectives

The objective of the engagement was to provide advice and guidance relative to industry leading practices governance and program components to assist IT Management in the development of an end user computing program.

The following deliverables were provided to IT Management toward the goal of creating an end user computing approach, framework and processes that will best serve the needs of the organization:

- Leading practices governance information relative to an approach, framework and processes to be utilized by IT in implementing the program
- Sample policies for use in developing Citizens' policy components
- High level inventory of Citizens' end user tools/applications

- Risk assessment of end user computing management created by the enterprise risk organization with assistance from a selected group of business managers
- Sample materiality and complexity criteria models to characterize the risk of end user applications so that appropriate controls can be applied as defined by the policy
- A list of industry standard sample controls that may be applied to end user computing applications

Results

OIA reported the results of our work efforts to IT management, which included information specific to the defined deliverables along with an interpretation of the survey results, potential program implementation recommendations and supporting materials.

The engagement procedures revealed the following information related to the Citizens end user computing environment:

- Almost all business units have some type of end user computing applications with spreadsheets being the most prevalent within the enterprise.
- Most of the EUCAs are used in daily business functions with a small amount being used for financial, regulatory reporting or expenditure information as well as support information for significant business decisions.
- The risk assessment results revealed several medium level risks associated with end user applications, absent any controls applied within the environment. Primary risks were determined which may be used to define corresponding policy components.
- Many business units indicated in discussions that they have applied specific controls to their EUCAs including security access, backups, naming conventions, informal testing of results, and in some cases, version controls.
- All of the department managers who were interviewed would appreciate the opportunity to provide comments on a draft policy and standards.

We recommend that management consider the materials provided to develop a comprehensive end user computing program that addresses the specific risks identified in the risk assessment and strengthens the governance of user developed applications.

We would like to thank management and staff for the opportunity to provide advisory services via this engagement.

Management Response

Management is in agreement with the analysis as performed and the results as presented. IT appreciates the high level of value provided to the corporation and the Systems and Operations division by the significant accomplishments of Karen Wittlinger, IT Audit Director and the contributions of other members of the Office of Internal Audit and Enterprise Risk division involving the research, analysis and development of recommendations during their execution of this End User Computing engagement.

Distribution

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