Question on Notice
No. 295
Asked on 22 March 2011

MR EMERSON asked the Minister for Government Services, Building Industry and Information and Communication Technology (MR FINN)-

QUESTION:

With reference to the Auditor-General's July 2010 report to Parliament that raised concerns about the government's ICT disaster recovery strategy, and which stated that the unacceptable risk of delays with regards to processing of financial transactions (including the payroll for public servants) remained—
Will the Minister detail what actions were taken in response to those concerns and when those actions were undertaken?

ANSWER:

In relation to the Auditor-General's July 2010 Report No. 8 which raised concerns regarding the documentation of disaster recovery processes (page 31 of that report – refer to **Attachment 1)**, I am advised that the following actions have been taken.

The Department of Public Works is developing an overall framework for end-to-end disaster recovery and business continuity management within the shared service environment. This will address concerns regarding disaster recovery documentation from the Auditor-General's report.

The Department of Public Works is working with stakeholders across government including agencies, shared service providers and ICT providers to ensure that a successful framework is created.

This framework will provide further clarification of roles and responsibilities, including documentation of recovery requirements and processes, in the delivery of critical services such as payroll and financial transaction processing.

In March 2011, the Department of Public Works also began the development of an Integrated Business Continuity Management Process for the shared service business units within the department. This process includes applying learnings from the 2011 flood and cyclone response and is due for completion in May 2011.

General computer controls

There continues to be serious security and change management issues at CorpTech and CITEC. The results of the audits of SAP systems supported by CorpTech identified increased risks associated with user access security due to the lack of standard roles across different systems.

In addition, there was a possibility of changes being made to user access levels without testing against potential conflicts. This was mainly due to the legacy environments not having a defined baseline against which further changes to access rights could be tested. In one case, changes to user access privileges resulted in excessive access granted to multiple users.
Monitoring controls
to identify such occurrences were not operating effectively.

The need for improvements in change control processes at CorpTech has been reported annually in Auditor-General Reports to Parliament since 2006-07. This continues to be a weakness in 2009-10 however, CorpTech is making progress towards implementing a new service management tool which is anticipated to address the identified weaknesses. The first stage of the solution is due for implementation in June 2010.

Financial systems server security audits were performed at CITEC in prior years when a significant number of issues were identified. While management has addressed several issues, minimal progress was made towards deploying technologies to assist in the detection of attempts to circumvent the technical controls that protect financial information and transaction processing. This issue will be further investigated with the ICT division of the Department of Public Works.

System disaster recovery

The audit of disaster recovery for the three key information technology environments used by shared services identified that there was insufficient documentation of key processes including how services would be recovered, within what timeframes these services would be recovered and whether these timeframes are acceptable to client agencies. Consequently, there is a risk exposure to government that in the event of a disaster, unacceptable delays may be experienced in the processing of financial transactions, including processing the payroll for Queensland Government public servants. As roles and responsibilities for the disaster recovery process are dispersed across agencies (including CorpTech and CITEC), an end to end approach is required to ensure that this risk is clearly understood, and mitigating actions are undertaken.

Segment reporting

The most recent version of the Queensland Government financial accounting software is SAP ECC5. Segment reporting in SAP ECC5 is used to account for transactions in each of the segments of controlled, administered and trust transactions. The transactions included in each segment in SAP ECC5 are derived from profit centre allocations.

The *Financial Accountability Act 2009* requires that public moneys be separately accounted for as administered and controlled transactions. Administered transactions are not controlled by a department and must be transferred to the Consolidated Fund at Treasury Department. Controlled transactions are those transactions that are able to be used by the agency to achieve its objectives. Trust moneys must be processed only for purposes for which they are held.