Martin Matson
Comptroller

John M. Egan, CPA
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Special Deputy Comptroller

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October 04, 2012

To the Honorable
The Common Council
City of Milwaukee

RE: Municipal Court CATS Application Audit

Dear Council Members:

As a component of the Comptroller's comprehensive information systems (IS) audit work plan, the Municipal Court's Case Automated Tracking System (CATS) application audit was conducted from July to September 2012 and involved the review of various information technology controls in regards to the CATS system and the Court's use of this system.

The CATS application was custom developed for the Municipal Court more than 10 years ago and the application has had various upgrades through the years. The most recent major upgrade in 2011 enhanced the system's functionality and ease of use. This audit was conducted to evaluate whether the implementation of the major CATS upgrade was successful and the controls within CATS adhere to operational program logic and IS security best practices.

This audit was conducted in accordance with generally accepted government auditing standards. Those standards require that the audit obtain sufficient, appropriate evidence to provide a reasonable basis for the findings and conclusions based on the audit objectives. The Office of the Comptroller believes that the evidence obtained provides a reasonable basis for the audit's findings and conclusions based on the audit objectives.

The Court's CATS application was audited based on an Information Systems General Computer Controls framework as published by the Information Systems Audit and Control Association. The audit plan consisted of four assessment domains including change management, logical security, security administration and application controls. Each assessment domain was made up of several common controls, which totaled 21 individual controls.

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Throughout the audit, it became clear that the upgrade of this system was done very carefully and with IS security controls in mind. The audit identified an exception in the area of change management relating to a lack of formalized policies and procedures. There were no significant exceptions in the area of Logical Security. All users in the CATS application are uniquely identified and administrative super user access is appropriate. Strong password rules are in place by way of strong operating system password requirements. With limited technical resources the Court has implemented a strong compensating control for the promotion of changes into the production environment per segregation of duties best practices.

No significant exceptions were discovered during the testing of CATS application controls which are responsible for minimizing human error. The application consistently performs as designed and makes an excellent case tracking application, workflow approval and payment notification system.

After the completion of the audit, it was revealed that only 1 of the 21 controls had a notable exception. The control belongs to the assessment domain of Change Management. Through inquiry of Court management, it was revealed that the Court's IT department has very detailed and thorough change management procedures that are clearly in line with best practices but that these procedures are not formalized through documentation. It is important to formally document the Court's change management process and standards through a change management policy and accompanying change management procedures to preserve the appropriate process.

Conclusion

The CATS system is well implemented and has a high level of compliance with IT general control best practices. The only exception discovered throughout the audit is in the area of application change management and the remediation of this issue could be completed quickly, simply and with minimal cost. The Municipal Court's management response to the exception is included below.

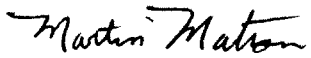
1. **The Municipal Court does not have a formal Systems Development Life Cycle Policy.**

Recommendation: The Municipal Court should consider formally documenting a change management policy as well as documenting supporting change management procedures. Per best practices, the Systems Development Life Cycle (SDLC) policy should contain directives concerning:

- Authorization over buy vs. develop,
- User and technical requirements,
- Security,
- Application Control Consideration to support validity, completeness, and accuracy,
- Testing and approval for deployment,
- Technical and user documentation, and
- Post implementation review.

All Municipal Court employees who participated in this audit should be commended for their availability and cooperation throughout the Municipal Court CATS application audit process. The Comptroller thanks all parties involved in this audit for their enthusiastic cooperation with the auditor.

Sincerely,



Martin Matson
Comptroller

CC: Kristine M. Hinrichs, Jane Tabaska

Attachment: Municipal Court's Response

Mm/il

CITY OF MILWAUKEE
MUNICIPAL COURT

Phillip M. Chavez, Presiding Judge
Branch 3

Valarie A. Hill, Judge
Branch 1

Derek C. Mosley, Judge
Branch 2

Kristine M. Hinrichs
Chief Court Administrator

Sheldyn M. Himle
Assistant Court Administrator

October 2, 2012

Martin Matson
Comptroller
200 E. Wells St., Room 404
Milwaukee, WI 53202

RE: Response to Municipal Court CATS Application Audit

Dear Mr. Matson:

The Milwaukee Municipal Court appreciates the work of your office and staff in conducting the recent audit of the Municipal Court's Court Automated Tracking System (CATS) application. Because the Municipal Court recently implemented a significant enhancement in order to add integrated document imaging functionality, we are happy to have the application assessed against best practices and standards.

We are equally pleased at the outcome of the audit, which included just a single recommendation. That recommendation was for the Court to consider developing a change management policy and to formally document supporting change management procedures.

The Municipal Court fully agrees with this recommendation and has already undertaken steps to implement enhanced change management procedures. As part of this, Court staff has already been advised that changes must be submitted to the IT team via a manager, who will have reviewed the change request and approved it for submission. This change to current procedure will be formalized in an official Court Policy and Procedure document within the next 2 weeks. Jane Tabaska, Network Manager, has also already begun to develop a tracking system to identify specific change requests, the requester and the scope of work involved. This tracking system will be used to guide the change management process as well as trigger documentation of the user and technical requirements, security issues, testing and approval steps and post-implementation review.

We sincerely appreciate the time and efforts of your staff in conducting this review. Should you have any questions or concerns regarding our implementation of the audit recommendation, please do not hesitate to let us know.

Sincerely,

Kristine M. Hinrichs
Chief Court Administrator
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