Security review and verification is a critical control activity

It’s time for annual security review and verification

Happy New Year! You have likely taken down the holiday decorations and the 2018 calendar is filling up. Now is also the time to prepare for the annual Minnesota Management and Budget (MMB) security review and verification certification.

Each year, all state organizations that use the SWIFT and SEMA4 systems must evaluate the individual security roles assigned to their staff and certify the role assignments comply with MMB Statewide Operating Policy 1101-07, Security and Access. This review and verification process is a critical control activity at both the agency and enterprise level.

Security review and verification goals

Management has two goals for the security role review. First, ensure employees are assigned the access to systems, system screens, data, and maintenance capabilities needed to perform the duties and responsibilities outlined in their respective position descriptions. Failure to meet this goal could mean business disruption or inability to deliver services efficiently and effectively. Second, ensure incompatible duties are adequately segregated to mitigate financial risk. Failure to maintain good separation of duties could make it possible for an individual(s) to make errors or commit fraud, and conceal either.

Segregation of incompatible duties

You achieve segregation of duties when you separate the responsibilities to authorize a transaction, to maintain custody of assets, and the transaction accounting/recordkeeping between business units or individuals within a unit. It is also important that accounting records are periodically compared and reconciled against the assets by independent employees. The goal is to ensure no individual has the ability to process a transaction from start to finish without at least one other person involved.

Security review and verification tools

MMB has tools and resources to help managers complete the annual review and to make appropriate security role decisions. Role Descriptions for Agencies provides the specifics regarding what the individual roles can and cannot do. The Conflict Matrix identifies incompatible security role combinations that, if assigned to individual employees, would present additional financial risk to the respective agencies, and the state as a whole. Finally, the SWIFT User Roles and Conflict Matrix Q&A document provides answers to frequently asked system security-related questions. Find these tools on our SWIFT webpage.

MMB requires that agencies implement compensating control procedures whenever conflicting roles are assigned, pursuant to Statewide Procedure 1101-07.2, Compensating Controls.

Suggested action steps

- Embrace the annual security review and verification certification process as an internal control improvement opportunity.
- Ensure compensating control procedures are in place, and documented for situations where it is not possible to completely separate incompatible duties.
- Periodically, review all compensating control procedures to ensure they are operating effectively.
- Complete and submit your security review and verification certification documentation to MMB by March 9, 2018.

Questions?

If you have questions, please contact Mike Thone, Internal Control Specialist.