



Fairfax County Internal Audit Office

Department of Tax Administration
iasWorld System Audit
Final Report

June 2014

"promoting efficient & effective local government"

Executive Summary

The Department of Tax Administration (DTA) uses iasWorld, a commercial off-the-shelf application, to record the real estate property assessment data, and bill and collect county real estate taxes. The web-based iasWorld application is an upgrade to the client/server Integrated Assessment System (IAS) application.

Our audit found that there were controls to ensure real estate related information such as real estate assessment information, deed ownership update, tax relief data entry, etc. was input into the iasWorld application completely and timely. All the data entries were verified by the supervisor, and various reports were generated to ensure property value updates in the iasWorld application were accurate. We also determined that real estate taxes were calculated accurately by the application. Reconciliation was performed to ensure payments were recorded correctly into the iasWorld application. DTA documented the user access authorization on standard forms and maintained the data on file. However, compliance with the county's Information Technology Security Policy 70-05.01 relating to administrative access needed to be strengthened.

The iasWorld application system administrators had read and edit access rights to all system functions, including tax exemption and tax relief. The segregation of duties control could be compromised if the system administrator can also perform end user job functions.

Scope and Objectives

This audit was performed as part of our fiscal year 2013 Annual Audit Plan and was conducted in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives. This audit covered the period of January 1, 2013, through December 31, 2013, and our audit objectives were to determine that:

- Data was encrypted during transmission.
- Adequate system controls were in place for property assessment and administration.
- System controls were in place to accurately calculate tax, properly record payments, and follow-up on delinquent accounts.
- Proper access controls and a management trail were established to ensure data was adequately protected from unauthorized amendment, loss or leakage.

Methodology

Our audit approach included a review and analysis of internal controls over the iasWorld application data input, real estate tax billing and tax payment collection process. We interviewed appropriate employees to understand the system functions, data input, real estate tax billing, and real estate tax payment collection and reconciliation process. We observed employees' work functions; determined if controls were in place to prevent data from unauthorized modification; and tested data input, the real estate tax generation, tax payment collection, payment reconciliation, and user list accuracy on a sample basis.

Finding, Recommendation, and Management Response

1. iasWorld System Administrator Access Rights

The iasWorld system administrator's job responsibilities require full access to the iasWorld application functions, including read and update access rights to all the system functions including tax exemption and tax relief. They are not only in charge of user setup and system configuration, but also running and setting up batch jobs, as well as helping users solve system implementation issues. The system administrator needs update access to get the system screenshots that cover all transaction fields. If they cannot solve the issues, they forward the screenshot to the vendor.

Fairfax County Information Technology Security Policy 70-05.01 states that the owner of information assets shall implement procedures and safeguards to ensure access to Fairfax County Government information is made available only to those who have the right to such access. The concept of "Least Privilege" i.e., providing only those privileges necessary to perform one's job function, should be used to insure the security of networks, computer systems and Fairfax County Government data.

One individual with the ability to control all critical stages of a process increases the risk of erroneous or fraudulent transactions. The segregation of duties control is compromised if the system administrator can also perform end user job functions.

Recommendation: We recommend the DTA work with the vendor to generate an audit trail report identifying critical system administrator changes made to the iasWorld application. The audit trail should record the system administrator user ID, when, and what has been done to the system. The audit trail should be reviewed and analyzed in a timely manner by someone other than the system administrators.

Management Response: DTA recognizes the necessary risks associated with our system administrators having access to all transactions within iasWorld. The Admin role is critical to our successful real estate administration and was setup with guidance from our vendor, Tyler Technologies, when we implemented iasWorld in August 2009. It was based on their experience in other jurisdictions regarding the level of access necessary to perform the tasks for which the system administrators are responsible. As

recommended, we will work with Tyler Technologies to develop a report that can be used to review all updates performed by the system administrators.

Once developed, the reports will be scheduled to run on a regular basis and will be reviewed by the division director managing each system administrator. The estimated completion date is November 30, 2014.