



NJ Division of Unemployment Insurance Systems – IT Operations

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New Jersey Legislature
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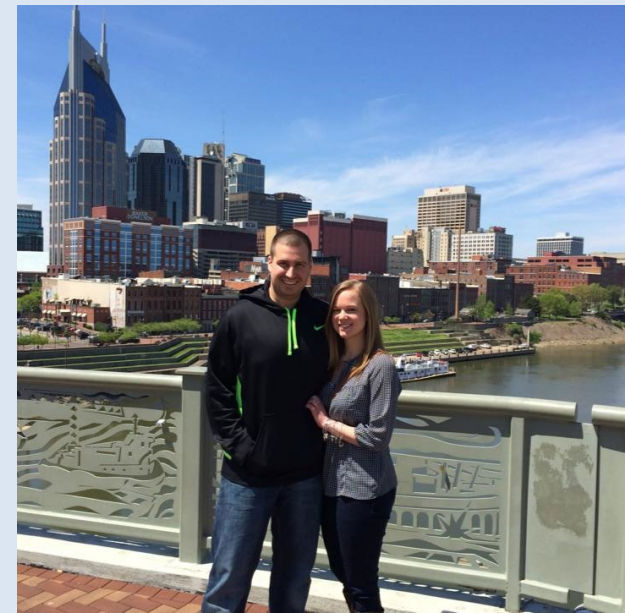


Andrew Cipriano, CPA, CFE

- NJ Office Of the State Auditor – 11+ years
- IT Auditor 3+ years
- Certified Fraud Examiner – 2011
- Certified Public Accountant – 2019
- Married, 2 kids:



- Luca 4
- Briella 2



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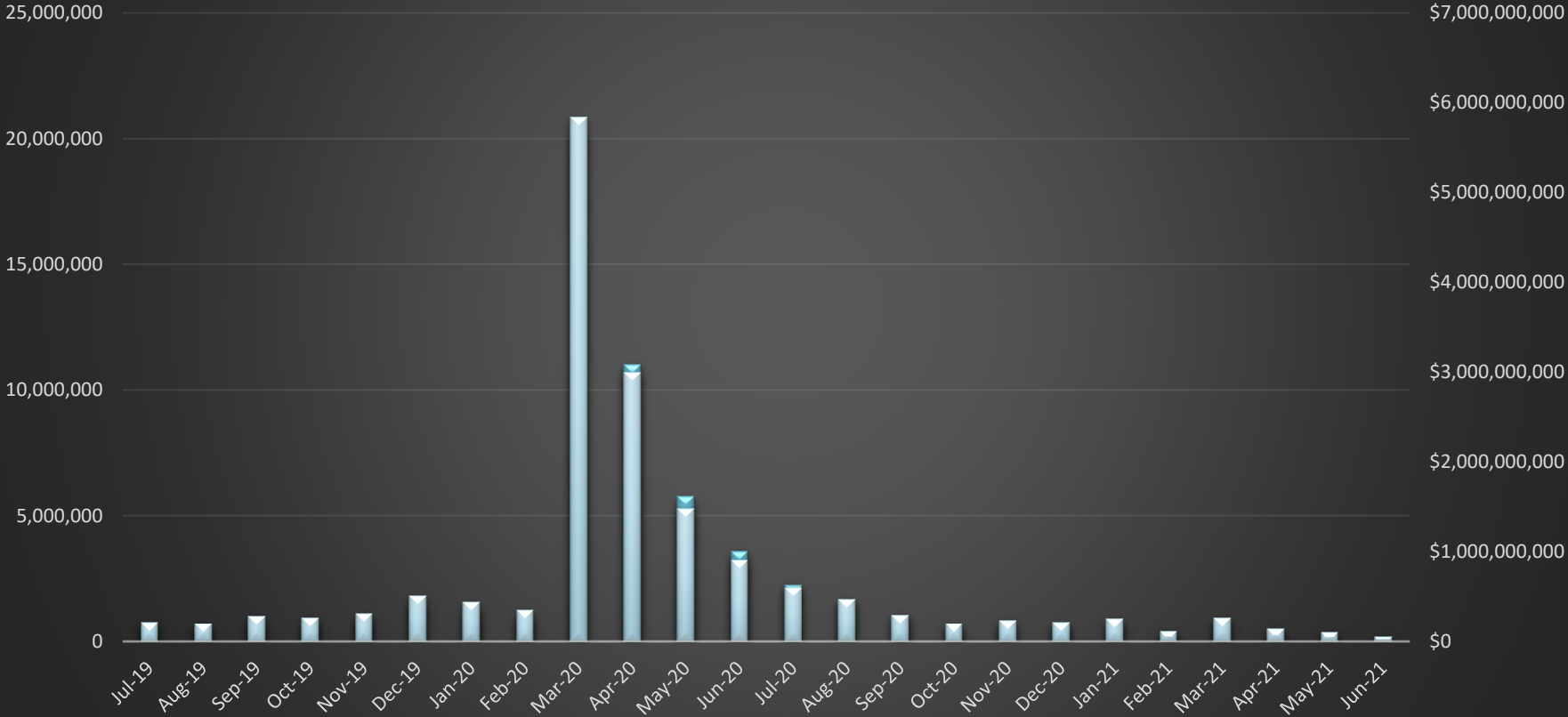


Background

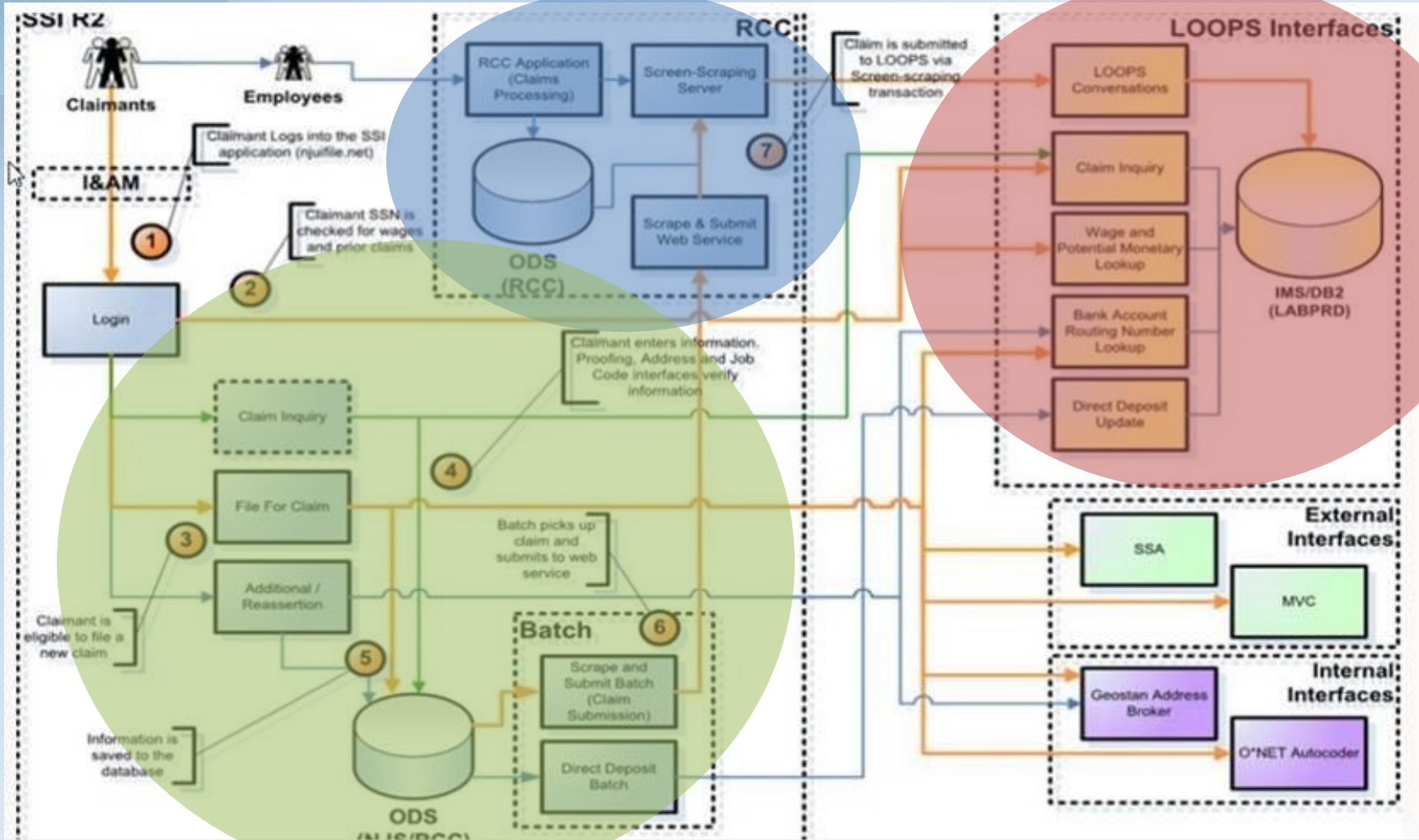
- Legislative request
- LOOPS – Local Office Online Payment System
- RCC – Regional Call Center system
- SSI – Supplemental Security Income system
- Standards followed:
 - NJ Statewide Information Security Manual (SISM)
 - Information Technology Infrastructure Library (ITIL 4)

Claims Made and Amounts Paid

Unemployed Insurance Claims Made and Amounts Paid During the Audit Period




Claims Processing Data Flow






Data Flow - Supplemental Security Income System

- System where claimant logs on to in order to place a claim
- Verifies claimant SSN for wages, checks for prior claims
- Data then stored in RCCs database for further processing



Data Flow – Regional Call Center System

- Claimant data held here until complete
- Manual intervention occurs with in this system
- Complete claims batch processed into LOOPS for processing



Data Flow – Local Office Online Payment System

- 40-year-old system
- Processes payments to claimants
- “Blamed” for payments not being made to claimants timely





What Did We Look Into?

- Access Controls
- Change Controls
- IT Service Management





Access Controls

- Focus on users' access to LOOPS and RCC system
- Concerns about user access due to the significant increase in new hires and current employees being reassigned to help process returns to clear back log
- Additional concerns regarding remote employee access to the system





Change Controls

- Single audit performed during pandemic found the division had not followed the proper change procedures
- Changes were only made in LOOPS, no changes made in RCC system
- Documentation on changes is scarce due to nature of pandemic and quick turnaround time needed for the changes.



IT Service Management

- Purpose of this portion of the audit was to attempt to identify any delays or failures in the processing of claims
- Does the division understand their processing environment?
- The services the division is providing, do they achieve the agreed upon and expected performance? Are they able to meet the demand?
- Is the division monitoring their environment to mitigate any negative impact of incidents that may occur?



Where are we today?

- Currently still waiting on some data from the division
- Logical Access Controls and Change Controls Sections are nearly complete
- To date, no major issues have been discovered

