



Commonwealth of Massachusetts  
Office of the State Auditor  
Suzanne M. Bump

*Making government work better*

Official Audit Report – Issued April 4, 2022

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## Massachusetts Commission against Discrimination

For the period January 1, 2019 through December 31, 2020





Commonwealth of Massachusetts  
Office of the State Auditor  
Suzanne M. Bump

*Making government work better*

April 4, 2022

Ms. Sunila Thomas George, Chairwoman  
Massachusetts Commission against Discrimination  
1 Ashburton Place, Suite 601  
Boston, MA 02108

Dear Chairwoman Thomas George:

I am pleased to provide this performance audit of the Massachusetts Commission against Discrimination. This report details the audit objectives, scope, methodology, findings, and recommendations for the audit period, January 1, 2019 through December 31, 2020. My audit staff discussed the contents of this report with management of the agency, whose comments are reflected in this report.

I would also like to express my appreciation to the Massachusetts Commission against Discrimination for the cooperation and assistance provided to my staff during the audit.

Sincerely,

A handwritten signature in blue ink, appearing to read "SMBump".

Suzanne M. Bump  
Auditor of the Commonwealth

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## LIST OF ABBREVIATIONS

CARES	Coronavirus Aid, Relief, and Economic Security
CMR	Code of Massachusetts Regulations
CMS	case management system
COVID-19	2019 coronavirus
CTR	Office of the Comptroller of the Commonwealth
EOTSS	Executive Office of Technology Services and Security
HUD	United States Department of Housing and Urban Development
ICP	internal control plan
MCAD	Massachusetts Commission against Discrimination

## EXECUTIVE SUMMARY

In accordance with Section 12 of Chapter 11 of the Massachusetts General Laws, the Office of the State Auditor has conducted a performance audit of the Massachusetts Commission against Discrimination (MCAD) for the period January 1, 2019 through December 31, 2020.

In this performance audit, we reviewed MCAD’s case management system to determine whether a backlog<sup>1</sup> was present, and we identified specific events within investigations that could affect why they might take longer than required to complete. Additionally, we assessed whether MCAD had created a process for ensuring that Coronavirus Aid, Relief, and Economic Security (CARES) Act funds received complied with the policies issued by the Office of the Comptroller of the Commonwealth (CTR). We also assessed whether the employees processing these funds were trained in risk management and information security as required by the Executive Office of Technology Services and Security (EOTSS).

Below is a summary of our findings and recommendations, with links to each page listed.

<b>Finding 1</b> <b>Page <a href="#">11</a></b>	MCAD did not complete discrimination investigations on time.
<b>Recommendations</b> <b>Page <a href="#">12</a></b>	<ol style="list-style-type: none"><li>1. MCAD should determine the number of investigators required to complete investigations on time.</li><li>2. MCAD should identify and resolve the cause of the long durations between events that occurred during some investigations that were not completed on time.</li></ol>
<b>Finding 2</b> <b>Page <a href="#">13</a></b>	MCAD did not notify CTR of the receipt of CARES Act funds or update its internal control plan (ICP).
<b>Recommendations</b> <b>Page <a href="#">14</a></b>	<ol style="list-style-type: none"><li>1. MCAD should notify CTR when it receives any CARES Act funds.</li><li>2. MCAD should draft a “COVID-19 Pandemic Response Plan Appendix,” incorporate it into its ICP, and annually review and update the ICP and appendix with any changes necessary.</li></ol>
<b>Finding 3</b> <b>Page <a href="#">15</a></b>	MCAD staff members responsible for the management of CARES Act funds did not receive cybersecurity awareness training.
<b>Recommendation</b> <b>Page <a href="#">15</a></b>	MCAD should coordinate with EOTSS to ensure that cybersecurity awareness training is held annually for all employees.

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1. MCAD uses the term “backlog” to mean the population of investigations that took longer to complete than the time allowed by Section 1.05 of Title 804 of the Code of Massachusetts Regulations. We use the term the same way in this report.

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## OVERVIEW OF AUDITED ENTITY

According to the Massachusetts Commission against Discrimination's (MCAD's) fiscal year 2020 annual report, MCAD "is the independent state agency that enforces the anti-discrimination laws of the Commonwealth through training, mediation, investigation, prosecution and adjudication."

MCAD's website states,

*We protect the people of Massachusetts, our workers, and our visitors from discriminatory treatment based on your membership in a protected class, such as race, color, creed, national origin, age, disability, gender, gender identity, sexual orientation, and more. We investigate Complaints of Discrimination that occur in the workplace, housing, public places, access to education, lending, and credit.*

MCAD has offices in Boston, Springfield, Worcester, and New Bedford.

Budgeted revenue was \$7,710,000 for fiscal year 2019 and \$8,077,794 for fiscal year 2020. According to MCAD's fiscal year 2020 report, it had 92 staff members, 36 interns, and 25 advisory board members who were active during some or all of that fiscal year. The average annual number of cases for those years was 3,000. MCAD receives federal reimbursements from the United States Department of Housing and Urban Development (HUD) and the federal Equal Employment Opportunity Commission for applicable case investigations and reviews.

Section 1 of Title 804 of the Code of Massachusetts Regulations (CMR) defines the process that MCAD uses to resolve discrimination complaints.

### Filing of Complaints

Discrimination complaints are filed in writing and are signed and verified by complainants, according to 804 CMR 1.04(5). According to 804 CMR 1.04(1), complaints are filed by the following individuals or entities:

- a. *A person claiming to be aggrieved by the alleged violation(s);*
- b. *The duly authorized representative of a person claiming to be aggrieved by the alleged violation(s);*
- c. *An organization whose purpose includes the elimination of the unlawful practice(s) which is the subject of the complaint and whose members include one or more persons*

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*claiming to be aggrieved by the alleged violations, provided that the injured person(s) shall be named if the complaint seeks victim-specific relief;*

- d. The Attorney General or their authorized representative provided that the injured person shall be named if the complaint seeks victim-specific relief; or*
- e. [MCAD].*

## **Manner of Filing**

According to 804 CMR 1.04(2), a complaint may be filed by delivery of a copy in person to any of MCAD's offices or by mail. Additionally, a complaint may be filed at an MCAD office through the intake process and signing of the complaint. According to 804 CMR 1.04(3), 804 CMR 1.04(4)(a), and 804 CMR 1.04(4)(b), a complaint must be filed within 300 days of the alleged unlawful conduct, with exceptions for grievances filed pursuant to a collective bargaining agreement or a violation that is continual and part of an ongoing discrimination pattern.

## **Mediation before Investigating a Complaint**

MCAD has an Alternative Dispute Resolution Unit that attempts to mediate complaints before investigations start. According to 804 CMR 1.04(4)(c), complaints may be resolved through mediation:

*When an aggrieved person enters into an agreement to voluntarily mediate the alleged discriminatory acts prior to filing a complaint at [MCAD] but within the statutory filing period, the time for filing may be [extended] subject to the following conditions:*

- 1. The parties are represented by counsel;*
- 2. The parties execute an agreement, signed by the parties, their attorneys, and the mediator, which states the nature of the dispute, the intent to mediate the dispute, a request to [extend] the statutory filing deadline to pursue mediation, a commitment by the attorneys and mediator to conduct the mediation within 90 days, and an agreement to promptly report the outcome of the mediation to [MCAD's] Clerk's Office;*
- 3. The parties submit the agreement executed pursuant to 804 CMR 1.04(4)(c)2. to the Clerk's Office within the statutory filing deadlines provided for in 804 CMR 1.04(3);*
- 4. [MCAD] shall [extend] the statutory filing deadline for 90 days from the date the agreement is submitted to the Clerk's Office, or until the mediator and parties have reported that they are unable to resolve the matter through mediation, whichever date is sooner; and*
- 5. If the parties are unable to resolve the matter through mediation the person claiming to be aggrieved by the alleged violation shall file a complaint within 21 days of reporting*

*that the mediation was unsuccessful. The filing date shall be deemed to be the date the agreement to mediate was filed with [MCAD].*

## **Mediation of HUD Housing Complaints**

According to 804 CMR 1.06(2), HUD housing complaints may also be resolved through mediation:

*[MCAD] encourages the parties to resolve HUD housing complaints through voluntary settlement prior to the issuance of an investigative disposition through mediation, subject to the following provisions:*

- a. The Investigating Commissioner shall seek the parties' voluntary participation in predetermination mediation at [MCAD] within 30 days of the filing of the complaint, unless impracticable to do so.*
- b. Any party who declines to participate or seeks postponement of a predetermination mediation shall provide written notice to the Investigating Commissioner within 48 hours of the scheduled mediation date. Failure to provide such notice without good cause may result in sanctions against the party failing to give notice.*

## **Content of Complaint**

According to 804 CMR 1.04(6), a complaint must contain the following information:

- a. The date(s) on which the unlawful discriminatory acts occurred; or, when the acts are of a continuing nature, the period of time during which acts occurred and the specific date of the last discriminatory act;*
- b. A concise statement of the alleged discriminatory acts; sufficient to enable [MCAD] to investigate the claims, and provide notice to the respondent of potential liability;*
- c. If appropriate, a statement indicating that the complaint is on behalf of a proposed class based on the criteria provided in 804 CMR 1.15(4)(a).*
- d. Appropriate identification of the complainant(s) and the person(s) alleged to have committed unlawful discriminatory acts, unless proceeding by use of pseudonym pursuant to 804 CMR 1.04(7); and*
- e. Factual allegations sufficient to support the claim.*

## **Investigation and Answer of Complaint**

According to 804 CMR 1.05(2),

*[MCAD] may undertake a preliminary review of a complaint to determine if further investigation would serve the public interest, and may dismiss a complaint at such stage.*



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## Notice of Investigation

According to 804 CMR 1.05(3), once MCAD has decided to perform an investigation, MCAD notifies the complainant and respondent of their procedural rights and obligation to respond.

According to 804 CMR 1.05(4),

*[MCAD's] Investigating Commissioner may undertake investigation of the complaint by field visit, written or oral inquiry, review of evidence submitted, conference, or any other method deemed suitable.*

## Completion of Investigations

According to 804 CMR 1.05(5), investigations are to be completed according to the following timeframes:

- a. *HUD Housing Complaints. The investigation of a complaint alleging discrimination in housing dual filed with HUD shall be completed in no more than 100 days after receipt of the complaint, unless it is impracticable to do so.*
- b. *Complaints Other than HUD Housing Complaints. The investigation of a complaint alleging discrimination in all areas within the jurisdiction of [MCAD] other than housing complaints dual filed with HUD shall be completed in no more than 18 months following receipt of the complaint, unless it is impracticable to do so.*

## Answers to Complaints

According to 804 CMR 1.05(8)(a), complaints are to be answered according to the following timeframes:

*Each respondent shall file an answer to the complaint in the form of a position statement as follows:*

1. *Complaints Other than HUD Housing Complaints. The position statement shall be filed either within 21 days of receipt of the notice of authorized investigation or within 21 days of receipt of an amended complaint filed pursuant to 804 CMR 1.04(9)(d) if the amended complaint is received before the filing of the position statement. Upon written request by the respondent, and for good cause shown, [MCAD] may grant an extension in which to file the position statement not to exceed 21 days absent exceptional circumstances.*
2. *HUD Housing Complaints.*
  - a. *A respondent in a housing discrimination case dual filed with HUD shall file a position statement within 14 days of receipt of the notice of authorized investigation.*
  - b. *Due to the 100-day period in which to investigate HUD housing complaints under 804 CMR 1.05(5)(a), respondents to HUD housing complaints are strongly discouraged*

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*from requesting extensions of time in which to file position statements. Upon written request by the respondent, and for good cause shown, [MCAD] may grant an extension of not more than seven days in which to file the position statement.*

Though they are not required to do so, complainants may file rebuttal statements in response to position statements from respondents, in accordance with 804 CMR 1.05(9).

## **Investigative Conference**

According to 804 CMR 1.05(10)(a),

*[MCAD] may convene an investigative conference for the purpose of obtaining evidence, identifying issues in dispute, ascertaining the positions of the parties, and exploring the possibility of settlement. Notice of the investigative conference shall be provided to all parties at least 14 days prior thereto and may identify the individuals requested to attend on behalf of a party.*

## **Notice of Consequences**

According to 8.04 CMR 1.07(1),

*If a respondent fails to answer a verified complaint or otherwise fails to participate in the investigation, the Investigating Commissioner may serve upon respondent a notice of consequences. The notice of consequences shall list available sanctions for failing to answer or participate.*

## **Conciliation**

According to 804 CMR 1.09, complaints go through a process of conciliation:

- 1. Conciliation Required after Determining Probable Cause. . . . In conciliating a complaint, [MCAD] shall attempt to achieve a just resolution of the complaint and to obtain assurances that the respondent shall satisfactorily remedy any violations of the rights of the aggrieved person, and take such action as shall assure the elimination of discriminatory practices, or the prevention of their occurrence in the future. . . .*
- 10. Conciliation Agreement. A conciliation agreement shall be an agreement between the respondent and the complainant and shall be subject to the approval of [MCAD]. It may include any or all remedies available under 801 CMR 1.00. Such agreement shall be in writing, shall set forth the terms of the agreement, and shall be signed by the parties. In accordance with [Section 5 of Chapter 151B of the Massachusetts General Laws], [MCAD] may make public the terms of conciliation when the complaint has been so disposed of.*

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## **Coronavirus Aid, Relief, and Economic Security Act Funds**

MCAD received \$75,000 in Coronavirus Aid, Relief, and Economic Security (CARES) Act funds from HUD to hire a temporary, full-time fair-housing investigator for \$60,000, develop fair-housing training and outreach materials regarding the 2019 coronavirus pandemic for \$10,050, and acquire three WebEx<sup>2</sup> professional licenses and three laptops for \$4,950.

On April 1, 2020, the Office of the Comptroller of the Commonwealth (CTR) issued a letter to all state agencies, including MCAD, stating that the agencies were required to notify CTR when they received CARES Act funds.

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2. WebEx is a software suite for online meetings, phone calls, and messaging.

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## AUDIT OBJECTIVES, SCOPE, AND METHODOLOGY

In accordance with Section 12 of Chapter 11 of the Massachusetts General Laws, the Office of the State Auditor has conducted a performance audit of certain activities of the Massachusetts Commission against Discrimination (MCAD) for the period January 1, 2019 through December 31, 2020.

We conducted this performance audit 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.

Below is a list of our audit objectives, indicating each question we intended our audit to answer, the conclusion we reached regarding each objective, and where each objective is discussed in the audit findings.

Objective	Conclusion
1. Did MCAD complete all investigations during the audit period within the time limits in Section 1.05 of Title 804 of the Code of Massachusetts Regulations (CMR) (100 days for United States Department of Housing and Urban Development [HUD] investigations and 18 months for non-HUD investigations)?	No; see <a href="#">Finding 1</a>
2. Did MCAD update its internal control plan (ICP) to document its processing of Coronavirus Aid, Relief, and Economic Security (CARES) Act funds received as required by the Office of the Comptroller of the Commonwealth's (CTR's) "[2019 Coronavirus, or COVID-19] Pandemic Response Internal Controls Guidance" and "COVID-19 Revenue and Grants" policy?	Partially; see <a href="#">Finding 2</a>
3. Did MCAD employees who were responsible for the management of CARES Act funds receive cybersecurity awareness training in accordance with Section 6.2.4 of the Executive Office of Technology Services and Security's (EOTSS's) Information Security Risk Management Standard IS.010?	No; see <a href="#">Finding 3</a>

To achieve our objectives, we gained an understanding of MCAD's internal control environment related to the objectives by reviewing applicable agency policies and procedures, as well as conducting inquiries with MCAD management and personnel.

## **Timeliness of Investigations**

To determine whether MCAD finished each of the 2,854 investigations completed during the audit period within the time required by 804 CMR 1.05, we computed the time it took to complete each investigation (the time between the date it was opened and the date it was completed) and computed the number and percentage of investigations that exceeded the CMR completion time.

Because our analytical procedures indicated that a significant number of investigations took longer than the allowable time to complete, we evaluated a nonstatistical, judgmental sample of 88 of the 1,308 investigations that exceeded the allowable time. We analyzed the time between events, such as the time to contact an attorney or assign a new investigator, in each of these investigations to assess whether there was a delay related to a specific event that significantly contributed to investigations taking more than two years to complete.

We also analyzed whether the mediation process resulted in a significant reduction of the backlog by comparing the completion time for investigations that were settled using mediation to the time for those that were completed without mediation.

We used nonstatistical sampling methods and therefore did not project the results of our testing to the population.

## **Updates to ICP**

We assessed whether MCAD notified CTR of the \$75,000 in 2019 CARES Act funds received from HUD. We interviewed key MCAD personnel to discuss the ICP and how MCAD had followed CTR's "COVID-19 Pandemic Response Internal Controls Guidance." We also inspected amendments to MCAD's policies and procedures related to the processing of CARES Act funds and determined whether MCAD had updated its ICP to meet CTR's requirements related to the COVID-19 pandemic.

## **Cybersecurity Awareness Training**

There were two employees responsible for managing CARES Act funds. We requested and inspected screenshots of their most recent training certificates to determine whether the training was sufficient to comply with EOTSS Information Security Risk Management Standard IS.010.

## **Data Reliability**

To assess the reliability of the data from the case management system (CMS) MCAD uses to record events, and the commission's actions during investigations of complaints, we gained an understanding of the CMS information system controls by interviewing employees with knowledge about the data and reviewed MCAD's policies for the following: access controls, security management, configuration management, contingency planning, and segregation of duties.

In addition, we performed electronic testing to verify that there were no duplicates and no closed cases outside the audit period; that there were valid date entries for dates complaints were entered, filed, and closed; and that there were valid entries for case statuses within our audit period.

Further, we ensured the completeness and accuracy of the data from the CMS by selecting a sample of 20 investigations from the CMS and verifying that each investigation's file date matched its hardcopy intake form. In addition, we selected a random sample of 5 investigations from the CMS and traced both the file date and the close date for each investigation back to the hardcopy case file. Further, we selected a random sample of 5 investigations from the hardcopy case files and traced each file date and close date to the CMS.

Based on the data reliability assessment, we determined that the data were sufficiently reliable for the purposes of this audit.

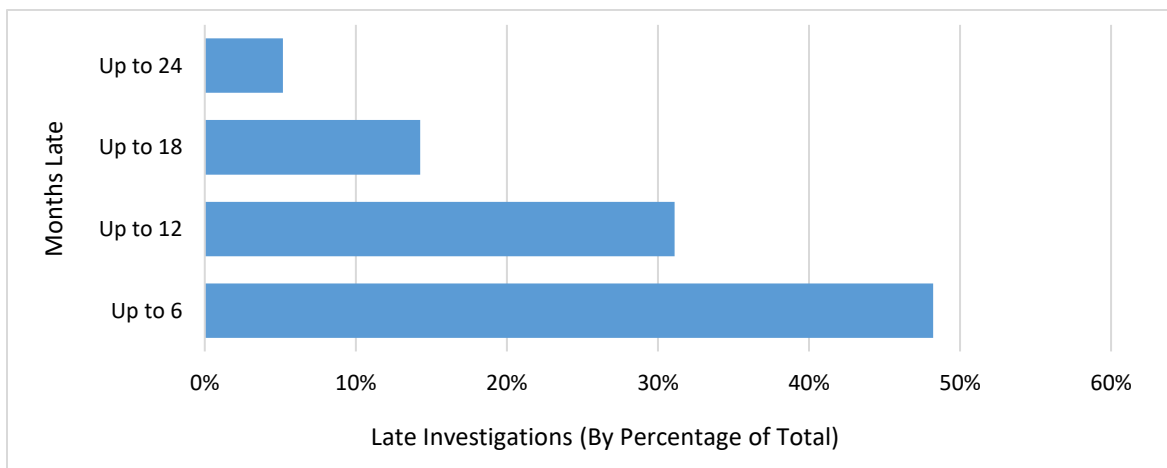
## DETAILED AUDIT FINDINGS WITH AUDITEE'S RESPONSE

### 1. The Massachusetts Commission against Discrimination did not complete discrimination investigations on time.

During the audit period, the Massachusetts Commission against Discrimination (MCAD) exceeded the allowable timeframe for completing 1,308 (45.8%) of the 2,854 discrimination investigations it completed. Within these 2,854 investigations, 263 (77.4%) of the 340 United States Department of Housing and Urban Development (HUD) investigations and 1,045 (41.6%) of the 2,514 non-HUD investigations exceeded the allowable timeframe.

As shown in the chart below, of the 1,045 non-HUD investigations that exceeded the allowable timeframe, 504 (48.2%) were completed one day to 6 months late, and 528 (50.5%) were completed 6 to 24 months late. (The other 13 cases were completed more than 24 months late and are not shown in the chart.)

**Late Non-HUD Cases by Months**



If investigations take an excessive time to complete, individuals who have allegedly been subjected to discrimination are deprived of timely resolution.

### Authoritative Guidance

According to Section 1.05 of Title 804 of the Code of Massachusetts Regulations, MCAD should complete HUD investigations within 100 days of filing and non-HUD investigations within 18 months of filing.

## Reasons for Excessive Investigation Times

MCAD's Alternative Dispute Resolution Unit performed 83 successful mediations (77 for non-HUD and 6 for HUD cases) during the audit period. The median time to complete all non-HUD cases with investigations was 479 days, and the median time to complete the 77 non-HUD cases with mediation was 282 days, reflecting a difference of 197 days. Thus the cases that used mediation took significantly less time to complete; however, only a very small number of cases used mediation, because it is not mandatory.

MCAD officials told us that the agency did not have enough qualified investigators to conduct timely investigations; they said that because of fiscal uncertainty, MCAD had not created budgets to replace investigators who left. MCAD said it had approximately 28 investigators during 2018. Our analysis revealed that it had 24 to 32 investigators during some of the audit period, but some investigators left for other jobs within MCAD and were not replaced during the audit period. As a result, the number of investigations that exceeded the time requirement continued to rise throughout the audit period, even though the budget for fiscal year 2020 (\$8.08 million) was 4.8% higher than the budget for fiscal year 2019.

In addition, in several instances, events within an investigation seemed to take excessive time to complete. They appear to be key reasons for the longer time to complete investigations. Examples of these instances follow:

- In 41 of the 88 sampled investigations, it took 100 to 749 days before a complainant's witness or attorney was contacted.
- MCAD reassigned 83 of the 88 sampled investigations at least once; some reassignments took several months.
- In 15 of the 88 sampled investigations, it took MCAD 182 to 611 days to draft the disposition.

These instances appear to be key reasons for the longer time to complete investigations.

## Recommendations

1. MCAD should determine the number of investigators required to complete investigations on time.
2. MCAD should identify and resolve the cause of the long durations between events that occurred during some investigations that were not completed on time.



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## Auditee's Response

*During the audit period the agency employed an average of 22 employment investigators and 5.3 housing investigators. . . . Additionally, the final ten (10) months of the audit period included the onset of the Global [2019 coronavirus, or COVID-19] Pandemic (March 2020—December 2020). During this time, the agency pivoted its operations to accommodate a massive national shut-down, including the closing of MCAD offices, equipping a workforce who have never worked from home with laptops, phones and printers in order to work remotely and prepare for, at the time, potential historic budget cuts.*

*Many investigator vacancies were the result of these investigators being promoted to other, non-investigator positions within the agency during 2019. These vacancies could not be filled quick enough and the unassigned cases were not able to be transferred right away, supporting the auditor findings that "it took 100 to 749 days before a complainant's witness or attorney was contacted," and that "MCAD reassigned 83 of the 88 sampled investigations at least once; some reassignments took several months." These findings are consistent with information provided by the agency to the auditors and based on the fact that the agency endured significant staffing issues during the audit period. Unfortunately the inability to backfill positions in [calendar year] 2019 were [exacerbated] in [calendar year] 2020 with the onset of the COVID-19 pandemic as all hiring at that time was deliberately halted in anticipation of budget cuts.*

*The agency agrees with the auditor's recommendation that the requisite number of investigators should be hired to compete investigations within the regulatory timeframes. To this end, the agency has been aggressively hiring to backfill the aforementioned investigator position[s] as well as the many other positions vacated during the COVID pandemic, and outside of the audit period.*

## Auditor's Reply

We agree that the effort to increase the number of investigators to pre-pandemic levels should address our recommendations.

### **2. MCAD did not notify the Office of the Comptroller of the Commonwealth of the receipt of Coronavirus Aid, Relief, and Economic Security Act funds or update its internal control plan.**

During the audit period, MCAD did not notify the Office of the Comptroller of the Commonwealth (CTR) of the receipt of \$75,000 in Coronavirus Aid, Relief, and Economic Security (CARES) Act funds on May 26, 2020. In addition, although it did create a number of process changes in response to the COVID-19 pandemic, MCAD neither drafted a separate "COVID-19 Pandemic Response Plan Appendix" to its internal control plan (ICP) to include CARES Act requirements nor updated its ICP. MCAD's ICP was last updated in 2014.

Since CTR was not notified of the receipt of funds, it could not create the special accounts planned to track CARES Act funds. This increased the risk that CARES Act funds could be mixed with non-CARES Act funds. Further, not updating the ICP annually or creating an appendix with COVID-19-related changes could leave MCAD vulnerable to risks.

## Authoritative Guidance

CTR's "COVID-19 Revenue and Grants" policy states,

*Departments are responsible for notifying CTR as soon as they are aware that they will be receiving COVID-19 related [funds] or other federal cost share revenue.*

This is required so that CTR can establish a separate account to track these funds and prevent commingling of COVID-19-related funds with other funds.

CTR's "COVID-19 Pandemic Response Internal Controls Guidance" issued April 1, 2020 states,

*Department internal control plans must be based on risk assessments and updated annually, or when significant changes occur. Because the COVID-19 Pandemic has affected all departments, the Comptroller, in consultation with the State Auditor's Office, is providing two options for updating internal controls.*

- 1. If the impact to your department is such that it can be reflected in your Internal Control Plan (ICP), then update the ICP as you would for any other mid-year changes.*
- 2. Departments experiencing a significant impact, and requiring the accumulation of substantial documentation (e.g. changes to business processes, requirements of federal and state specific laws or guidance, new funds or new programs), can draft a separate COVID-19 Pandemic Response Plan Appendix to the ICP as an organized set (hard or soft copies) of emails, documents, risk assessments, policies and procedures.*

## Reasons for Issues

MCAD officials told us they did not originally assess the funds in question as CARES Act funds, based on discussions with HUD, and therefore did not implement CTR's requirements, including the requirement of notifying CTR. They indicated that the reason they did not update the ICP annually and draft the organized appendix was the limited number of fully trained staff members to amend and approve policies.

## Recommendations

1. MCAD should notify CTR when it receives any CARES Act funds.

2. MCAD should draft a "COVID-19 Pandemic Response Plan Appendix," incorporate it into its ICP, and annually review and update the ICP and appendix with any changes necessary.

### **Auditee's Response**

*The agency agrees with the auditor's findings and will work to implement the auditor's recommendations. It should be noted that HUD required an application detailing the need, and use, for CARES Act funding. HUD also required the MCAD to regularly report on the use of CARES Act funding to ensure those funds were being used for their intended purpose.*

### **Auditor's Reply**

Based on its response, MCAD is taking measures to address our concerns on this matter.

### **3. MCAD staff members responsible for the management of CARES Act funds did not receive cybersecurity awareness training.**

During the audit period, MCAD did not provide cybersecurity awareness training to its two employees who were responsible for managing CARES Act funds received. The last cybersecurity awareness training that either employee attended was in January 2019, before the COVID-19 pandemic began.

Incomplete cybersecurity awareness training may lead to user error and compromise the integrity and security of protected information in MCAD's information technology systems.

### **Authoritative Guidance**

MCAD officials told us that MCAD had adopted the Executive Office of Technology Services and Security's (EOTSS's) Information Security Risk Management Standard IS.010. Section 6.2.4 of that standard states, "All personnel will be required to complete Annual Security Awareness Training."

### **Reasons for Lack of Training**

MCAD officials told us that although MCAD had adopted EOTSS Information Security Risk Management Standard IS.010, the commission had been unable to coordinate with EOTSS for the two employees to receive the required cybersecurity awareness training.

### **Recommendation**

MCAD should coordinate with EOTSS to ensure that cybersecurity awareness training is held annually for all employees.

### **Auditee's Response**

*The agency has coordinated with the Commonwealth's Human Resources Division (HRD) to provide the requisite, yearly Cybersecurity training to MCAD via the new MassAchieve platform [in] which the MCAD is now a fully participating agency. During the audit period, this training was offered through EOTSS via the [Performance and Career Enhancement] platform.*

### **Auditor's Reply**

Based on its response, MCAD is taking measures to address our concerns on this matter.